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## IN THIS NUMBER

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# William E. Mosher

By CHARLES S. ASCHER

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## I

FOR twenty years, from the days of its organization, William Eugene Mosher and the Maxwell School of Citizenship and Public Affairs were so closely linked that in many ways the school was a reflection of his personality. Since it has been one of the important centers of training for public management in the era of emergence of that discipline, it is profitable to consider the direction that Dean Mosher gave that training. Every man's direction is molded by his background. Because Mosher's was so unusual for a teacher of administration, it is perhaps easier and more significant to trace the forces that gave him his world view.

For nearly twenty years, Mosher and the department of Germanic Language and Literature at Oberlin were so closely linked that in many ways his personality was a reflection of it. Upon his graduation from Oberlin he went to Germany for advanced study. In the proper German tradition he enrolled at more than one university, receiving his doctorate at Halle. He returned to Germany for "private study" even after becoming an instructor at Oberlin. Unquestionably he drank deeply at the springs of the German cultural tradition as he found it in these *Wanderjahren* at the turn of the century. A portrait of Goethe hung on the wall of his office to the end. As late as 1938 he talked on Goethe in German to a German Society in Syracuse. He quoted freely from Schiller and Heine.

He had a high regard for the German university of that day. On the one hand,

he valued the student's freedom of choice of study; on the other hand, he brought back with him a strict sense of discipline, a feeling for the worth of hard work, of sustained application to a mass of intractable material, and an impatience with sloppy thinking which his students—both in German at Oberlin and in administration at Syracuse—knew all too well. To beginners, this disciplinarianism sometimes seemed frighteningly austere.

He never taught the German language. He used language as a vehicle to enable American students to enter into German culture, thought, and philosophy; an early textbook he entitled *Welcome to Germany* (1906). At a time when President King's seminars on religion had a reputation beyond the Oberlin campus, discerning students realized that Mosher's seminars on *Faust* were also a rich mine of philosophy and religion. Indeed, his first book was on Christian philosophy in modern literature. Mosher was one of the leading influences in the cultural life of Oberlin in the decade before World War I.

Behind these decades of study and teaching lay the background of a middle-class family in an up-state New York community. His father ran a bookshop and certainly contributed to his intense interest in literature and religion. As the second child in a closely-knit family of eight children, he tasted real and practical responsibility at an early age. He was a regular end for Oberlin in days when Oberlin was one of the football powers of the Midwest. His teaching of German, like many academic careers, came about as a result of an undergraduate inter-

est nurtured by an esteemed friend on the faculty.

Accordingly, while he was at home in German political thought, he had a basic grounding in American democratic institutions. The German culture that affected him was that of the thinkers and philosophers of the nineteenth century who also gave direction to German lovers of democracy like Carl Schurz, who made so significant a contribution to the American scene.

When, then, he entered the world of administration, Mosher brought with him out of his background beliefs and traits that shaped his program. He was a liberal, a fighting liberal. He believed profoundly in democracy, but he believed strongly that its need was effective leadership. The trained expert with a sense of responsibility would provide leadership as administrator; the college graduate, as trained thinker, must accept responsibility for political leadership.

## II

WITH the coming of war, Mosher took leave of absence from Oberlin, seeking some task of significance to the national effort. He sought guidance from Charles A. Beard, then in active charge of the Bureau of Municipal Research. He had come to know Beard through Oberlin graduates who had later studied with Beard at Columbia. It was perhaps natural that Mosher should turn in this direction, since his minor subject at college had been political science. Beard was then concerned with establishing training for foremen in war plants—what in the World War II we came to call TWI—and turned Mosher, Ordway Tead, and Henry C. Metcalf to “war emergency employment management courses” at the bureau and at Columbia. Mosher was for this purpose on the staff of the bureau. His lifelong preoccupation with personnel problems was undoubtedly shaped by this introduction to administration.

The end of the war saw Mosher in Washington, not Oberlin. With a background in personnel administration limited to his war experience, Mosher, present as observer, found himself outlining a program to the chairman of the Congressional Joint Commission on the classification of Salaries—and found himself associate director of the staff, with I. O. Griffenhagen as chief counselor. Some eyebrows were raised at Mosher's brief qualifying experience.

This readiness to move boldly was a characteristic of Mosher that often gave the appearance of impetuosity. His objectives were usually set after careful reasoning, but, once determined, he drove for them by direct action with perhaps too little regard for collateral implications.

Twenty-five years later, for example, Mosher was certain that Syracuse University's destiny was to train men for international administration. There was at Syracuse at that time one man who had had experience with the League of Nations. The combined efforts of his colleagues hardly persuaded him that other essential resources of staff, location, experience, and ease of contact with international agencies were lacking, and that the new program could not effectively be superimposed upon that of the Maxwell School.

Once launched in research in personnel administration, Mosher made a survey of the employment policy of the United States Post Office Department in 1921. By now, return to teaching German at Oberlin was out of Mosher's thought. In the meantime, Beard had withdrawn from the Bureau of Municipal Research and Gulick had become its director. The other staff members were interested primarily in research. With Mosher's teaching background, it therefore seemed a sensible course to put him in charge of the bureau's training program.

No reader of this *Review* needs a recital of that program—the combination of seminar-lectures and field assignments under senior staff. The end-to-end curricu-

lum, so identified with the Maxwell School in the last twenty years, was in vogue there, in which the trainee concentrated all his study on one subject intensively for a number of weeks, shifting his full attention then to another subject. Just at the time of Mosher's association with it, the program was being rethought by Gulick, Fosdick, Rum, and the group who were converting the bureau into a national Institute of public administration. Their ideal was training for administration to be grounded in an understanding of economics, social psychology, history, statistics; and for this a university affiliation seemed to promise greater support than the office atmosphere of "261."

### III

IN THE same years, through the work of a state legislative commission, Mosher and Gulick were thrown into contact with Frederick M. Davenport, professor with a deep interest in practical politics, teacher of government at Hamilton College while state senator and Congressman. Davenport talked with them of a proposal made by a wealthy attorney and manufacturer in Boston, George H. Maxwell. Maxwell had endowed a chair of citizenship at Boston University (subsequently occupied for many years by Frederick A. Cleveland, after his retirement from the Bureau of Municipal Research and his advisory work for the Chinese government). But the program there was not fully satisfying to Maxwell. He accordingly addressed an offer to Chancellor Flint of Syracuse University, of which he was an alumnus, to provide \$25,000 a year for a school of citizenship, if Davenport could be adviser. (Davenport and Maxwell at that time had not met.)

Maxwell's driving concern was to stimulate interest in citizenship in the liberal arts undergraduate, to help develop a source of informed community leaders essential to the successful working of democracy. Davenport, Gulick, and Mosher saw a

parallel need for trained leadership in the management of public affairs. The proposal, indeed, offered the possibility of providing the university base for the institute's training program that Gulick and Mosher were seeking.

Davenport and Chancellor Flint agreed that \$25,000 a year was inadequate; it would take twice that sum to initiate an effective program. Maxwell responded by offering \$50,000 a year to start a school of citizenship and public affairs. This support was later substantially increased and, after Maxwell's death, Mrs. Maxwell and the trustees of his estate (now including Davenport) continued their interest, culminating in the gift, through the North American Holding Corporation, of Maxwell Hall. The dedication of this hall in 1938 was one of the great moments in Mosher's life. An ex-president of the United States made the chief address; Mosher's former students surprised him by unveiling a plaque with a bas-relief of the good Dean in the entrance to the new building. Other important support came through the years from the Rockefeller Foundation, which made possible a wide offering of fellowships and scholarships in the Graduate School of Public Administration.

Thus, in 1924 the Maxwell School of Syracuse University took over, as part of its program, the training activities of the institute and some of its unusual methods. Mosher went to Syracuse to become its director (later dean), a post that he held for twenty-one years. For some years, the graduate students in administration continued to use the institute as a base for apprentice field assignments, and the students came to New York in a body for several months. But Mosher made arrangements nearer at hand with Weller of the Rochester Bureau of Municipal Research, and the tie with the institute dissolved. Davenport continued—and continues—as counselor; but it is not unfair to say that the school became the school of William E. Mosher.

Mosher launched into the development of the school with indomitable optimism, energy, and courage. He needed them to provide the dreamed-of base in his new environment. He was to promote citizen participation in government, but the university was not ready, a generation ago, to open its halls to a state-wide meeting of the League of Women Voters. Mosher thought citizen participation should begin right at home, but his forthright pronouncements on local government, then tightly controlled by a political machine, led the boss to suggest to him and the university officers that he lay off. Some of the eager younger men and women whom he brought to the faculty tried to bring their expertise to bear on local problems; trustees and officials asked Mosher to restrain them, too. He refused.

For awhile around 1928-30 he drove hard enough to get the city government to let him staff a bureau of municipal research from "the Hill." In its brief life, its secretaries included Howard Evans, Paul Betters, and Hubert Gallagher. The political leaders ridiculed its reports, and there was not a strong enough citizen group to force its continued acceptance. But, as in all such episodes, some of the recommended reforms were accepted. Again, with the onset of the depression the city's tax revenues came into such sad state that an aroused taxpayers' group gave the school a chance for another foray in a study and report on property taxation. Again the mayor ridiculed the report, but again some of the recommendations stuck. Sometimes, it may be, it was possible for the shrewd politicos to aim a shaft of ridicule at a weak spot in one of Mosher's proposals. Militancy and courageous liberalism do not always go with cautious regard for exact detail.

The development of the undergraduate program in citizenship came during a decade in which colleges generally were wrestling with ways of introducing students to contemporary civilization through

social science orientation courses. Mosher brought together a dozen eager young instructors who wrought syllabi, readings, and ultimately a textbook, *Responsible Citizenship*, under his stimulation and leadership. The course was forthright; it did not evade controversial issues of the current world, it dealt boldly with labor, public ownership of utilities, and the need for international collaboration. It may have been a bit over the heads of some of the undergraduates who came to Syracuse from the high schools of central New York towns, but it was stimulating to the better scholars and to the instructors.

Mosher's energies overflowed the course as a vessel for carrying the responsibilities of citizenship to the undergraduates. For example, he seized on the Town Hall of the Air as a new bottle for his political elixir. First he had the national program broadcast in the auditorium of Maxwell Hall, cutting it off after the formal presentations, using local discussion leaders, faculty or citizen, to answer questions from the floor. When that technique proved ineffective, he tied into the subject of the national broadcast, but substituted local speakers. A committee of students was responsible for the management of these Thursday evening forums, but they met with Mosher nearly every week and he put tremendous energy into keeping this enterprise going for the fifty or so students who came around. Even a visitor to the campus would find himself shanghaied to debate a subject in which his interest and background were perhaps only perfunctory. There was simply no way to say "No" to the Dean. The Town Hall continues, though Mosher has gone. It is perhaps characteristic of his intellectual approach that he valued so highly a medium that posed a problem as an issue. Basically, he liked the illumination made by the sparks thrown off by statements of opposing views, perhaps more than the cold synoptic presentation.

The promotion of citizen participation and leadership in political life was always one of Mosher's powerful interests. Students who rang doorbells during election campaigns had his encouragement. He did not seek to influence them toward or against a candidate—he was usually pretty detached in local elections—but he worked for the principle of participation. This spirit was sometimes not appreciated by university officers of administration, fellow professors, or university trustees. For the graduate students in administration, he had the ideal of militancy for the improvement of government, the extension of the merit system and scientific management, but of political neutrality as becoming to the career public servant.

In the last decade of his life, the promotion of citizenship leadership came to be his most consuming interest. The Association of American Colleges was one medium, through a committee on citizenship of which Mosher was chairman. Several times he was on the verge of obtaining grants of money to enable him to launch an ambitious program on a national scale. He never stated the undertaking in a written prospectus, but he talked it everywhere—with a county chairman, a political leader, a president of the American Bar Association, with Wendell Willkie, with Thomas Dewey, at meetings of the American Political Science Association, seeking a plan that would get college men more widely into politics. While Tobin was teaching at Dartmouth, he and Mosher activated a group of Dartmouth alumni. During World War II, Mosher pressed the Army and Navy to get material before their men stressing the importance of participation in political life on their return.

#### IV

THE domination of political life by the monopolistic concentration of wealth represented by the public utility companies of the 1920's was precisely the kind

of threat to which Mosher's militant liberalism would be alert. With Crawford he wrote a volume on public utility regulation, and he collaborated with Bonbright and others on another. He provided the research base for the revision of the regulatory laws of New York State associated in the public mind with Governor Roosevelt and Colonel Donovan.

Then, in the second year of the New Deal, he was asked to undertake his biggest venture outside the university world. Basil Manly, vice-chairman of the Federal Power Commission, was commissioned to make a national power survey by executive order of the President, subsequently enlarged by joint resolution of Congress to an electric rate survey. Mosher was reluctant to accept responsibility for making this survey. He saw that it was a large administrative task in an area never explored on such a scale. It was a research job with high political voltage. Most of the available technicians would have to be drawn from the private utility companies. But he accepted.

As he had expected, he was in difficulty with some of the top technical staff. He was ridiculed by the utility press as "the professor." He was not always adroit in drawing the political charge off as innocent sparks. But he really knew rate structures and enough about utility engineering not to be browbeaten. He stuck to his guns, and he had the backing of Roosevelt and Manly. The contribution of the survey is incontestable. The release of comparative data on utility rates, community by community, appearing in the local newspapers, led to questions that could not be answered except by rate reductions. This survey subsequently became a continuous function of the Federal Power Commission. It is interesting to note that here Mosher held militancy in check. He let the facts speak for themselves and left it to others to draw the inferences.

He was chairman of the executive committee of the Governmental Research Association in 1939-40, at a critical juncture in

its development. He was the first chairman who was not a director of a citizen-supported local research bureau—a tribute from a hard-headed, practical-minded group who had generally avoided anything that could be regarded as academic, long-haired, or professorial in their association. Indeed, the founder-members had over a decade viewed with some doubts the infiltration into GRA of university professors and public administrators. These sought in its annual meetings a forum for the discussion of issues of public policy and the place of administration in a changing society, rather than the problem of operating a citizen-supported local bureau. As a result, neither group got adequate satisfaction out of the association.

It was during Mosher's chairmanship that these forces moved toward resolution. The sentiment crystallized that this country was ready for a society of public administration for administrators, a need which neither GRA nor the American Political Science Association could fill without neglecting their established constituencies in the research bureaus and the universities. It was, accordingly, Mosher who issued the call for the organization of the American Society for Public Administration at the annual meeting of the Governmental Research Association at Princeton in September, 1940, and it was he who presided over its organizing meeting in Washington in December, 1940, and served as its first president.

The theme of his presidential address was that which he pressed as a member of the special committee on research materials of the committee on public administration of the Social Science Research Council: the importance of classification as the foundation for a science of administration. We needed the collection of hundreds, indeed thousands, of cases, grouped about some of the central problems of administrative organization and control. Thus had zoology, botany, and other sciences grown. Until we

could establish analogous likenesses and differences, we could not call administration a science rather than an art.

Mosher's entrance into public administration was through a program of training for workers in war industries. Even more than utility regulation, personnel administration was his field of special interest. It was one of the sections of the curriculum that he chose to teach personally. Out of this teaching came the text on *Public Personnel Administration* that he wrote with J. Donald Kingsley, the first systematic treatise of its kind. While many of its chapters were concerned with the formal elements of technique, like classification, Mosher never lost the insight that personnel administration, however scientific its lingo might come to sound, dealt with human beings working together in groups. He loved to say that people spent most of their waking hours working and that their contentment and compatibility with their job was more important than completing a mission. He was much influenced by Mary Follett and commended her books to his students at a time when she had but a small audience. His initial work with Tead and Metcalf may have influenced him, too.

His expertise in personnel work, like that in public utilities, was called upon outside the university. One of his major activities in World War II was months of work with the State Department at a time when it was seeking to organize itself freshly for new wartime and postwar responsibilities, counseling the department on the improvement of its personnel policies.

## V

THESE, then, were the background influences, the personality traits, the dominant interests that Mosher brought to the headship, first as director, then as dean, of the Maxwell School that he dominated for two decades. The curriculum, for those who do not know it, has been described

systematically elsewhere with shrewd insight.<sup>3</sup>

One of the most significant appraisals of the course comes from its graduates, many of whom are by now in the top rank of local, state, and national administration. If there is a single common view, a single dominant note among them in retrospect, it seems to be that the Dean gave an inspiration, a drive, a bent that was the most valuable thing they got out of it, more enduring than any single element in the curriculum. And this general opinion must serve as an appraisal of Mosher, too.

Initially, the course was set up to train men for the management of cities. Students educated in the social sciences groaned over nine weeks on municipal public works during which they roamed Syracuse with a plane-table, not learning enough really to become surveyors. Again, with no legal background, they had to read nearly four hundred cases in five weeks of administrative law, till their heads bobbed like bottles in a brook. Health, welfare, accounting, attitude measurement, police, budgets, personnel—in what the doctors call massive doses. Two or three hours a day of lectures, reading, perhaps some volleyball before supper in a gymnasium full of last year's second-hand air, meals in the college cafeteria (high in inexpensive starches), and then evenings of reading, reading, arguing with the gang.

And then disconcerting dead spots. A practitioner supposed to serve as visiting lecturer was delayed by official business. The Dean was off in Washington. A telegram would come: "Have one of the resident instructors take the class for a week. Signed, Mosher." Detailed attention to smooth coordination was not in the Dean's universe of interest.

It was an altogether appropriate part of

the discipline of becoming a Master of Public Administration to present a written thesis. This report was developed out of the field assignment in Rochester, Albany, or elsewhere in the months following the formal lectures. In the earlier years, some of the reports were on subjects of current concern to the state municipal league and were distributed to its members as a service of their organization. Conciseness was then doubly a virtue. Gradually, certainly unconsciously, the Dean let these slim brochures turn into substantive documents of two hundred pages—until, as the students aptly remarked, they should have entitled the writer to a doctorate. Each member of the faculty seemed free to ask that the chapter of special interest to him be expanded. Alumni day brought a procession of graduates returning to hail the Dean—and, four or five years out of school, to crave acceptance of their thesis project without further substantial rewriting. It was a Syracuse graduate who was already commissioner of revenue of a state who remarked wryly how many, like him, could write on a job application only "former fellow, Syracuse," not "M.P.A., Syracuse," because their theses had never been accepted.

As the depression deepened, local residence requirements seriously diminished opportunities for Syracuse-trained men to enter the bottom rung of a career ladder in municipal administration. At the same time, the assumption of new responsibilities by the federal government and a freshened interest in administrative management in the federal agencies opened new avenues to graduates in public administration. Only slowly did Mosher shift the content of the training; it was enlarged to a two-year course in 1936, but with no radical change in scope. Prospective employees of a procedural analysis section of a division in a bureau in a federal department still pored over blueprints of public works. The emergence of fiscal policy management as an

<sup>3</sup>George A. Graham, *Education for Public Administration* (Public Administration Service, 1941), pp. 158-74.

important task of the national government, involving administration at the highest level, was not reflected in the Syracuse curriculum.

## VI

AND yet, and yet . . . a Syracuse graduate, a ten years out, with a first-rate record in personnel administration in civil and military government mused recently: "I certainly groaned over that public works course and I really haven't thought about it in quite a while. But as I come to think of it, although I've never been in a works agency, I realize that it has proved as useful to me as any part of the curriculum."

Another, fifteen years out, has done distinguished work in interstate, regional, even international organizations. It may be charged, he reflects, that there was an aspect of gadgetry in the course. But the times conspired to make it natural to emphasize gadgetry, because there was a growing market for the administrative gadgeteer. And yet, that *brio* with which Mosher launched inexperienced students now into a police survey, now into a report on the organization of a health department, now into a personnel classification study! His boys were trained never to be afraid to barge into anything. Like the black cat, they would always land on their feet no matter how you tossed them out of the window.

These two comments may stand for many.

The course was tough, it had its bumpy spots, but it bred a common point of view and solidarity. And Mosher's militant liberalism, complementing the reflective, analytic approach of his associates, gave it a drive. "Courage, men!" he would cry: these reforms *must* come about. Gadgetry and idealism, if you will.

Two other aspects of his direction of the school deserve comment. The selection of candidates was rigorous. About fifteen men and women were picked from a num-

ber of applicants that grew to several hundred as the standards of the school became widely known and its prestige became nationwide. Elements of selection were not merely undergraduate academic excellence but campus leadership. It was possible to advise an inquiring applicant (only half jestingly) that a Phi Beta Kappa key would count for little unless he had also been manager of the baseball team or president of the student council. As a result of this care in selection, there were precious few culls in two decades.

Once these highly selected students were trained, Mosher was unremitting in his efforts to get them properly placed. Much of his absence from the campus that led to apparent inattention to administrative detail was in the cultivation of officials who gave the least sign of willingness to take Syracuse men on as apprentices or juniors, in the federal government, in state governments. Syracuse did not toss out graduates to flounder and find their way. Furthermore, the solidarity bred by the intense communion of the course was so great that it became almost axiomatic that if a Syracuse man was once placed in a bureau, within a few years the door would be opened to half a dozen of his mates.

Mosher sought to move away from the training of staff technicians in his last years. He saw the direction in which teachers of administration must next turn to broaden their effectiveness, what may be a chief concern of postwar education for the public service: how to train line officers as the Army does in its command schools. For some years district health officers of the New York State Health Department had come to Syracuse monthly through a winter to learn effective enforcement procedures, reporting, and supervisory and advisory relations to local health departments. Mosher served on a committee of the American Public Health Association and sought, with not too conspicuous results, to convince the head of a great school of public health that

its graduates, if successful, would spend little time in laboratories, much in administration, and that they should receive appropriate training for their real careers.

He reached out similarly to social workers and experimented with some interchange of students with the New York School of Social Work. For several years before the war, the New York State School of Forestry sent one of its best graduates across the campus to take his course. But this, he knew, was not the answer. Just before his death, he was mulling over an article for this *Review* on the training of line administrators, but was still concerned about the answer.

Mosher played baseball with his sons till he was past forty, he played tennis till fifty, he was a vigorous walker till his death. He

broke his wrist while skating when he was about sixty. The fracture did not hurt so much as the doctor's scolding: what right had he to be skating at his age? He seldom talked administration at home, though he discussed political and social problems avidly with his family. He seldom went to church, but he was deeply interested in Christian principles and practiced them. He knew his Bible thoroughly and quoted from it freely and widely.

He was basically an educator. He was intensely interested in his students as human beings, in their successes. No offers of other types of work, however attractive or remunerative, could pull him away from teaching. His call of "Courage, men!" will long ring in the hearts of those who knew him. A fighter for the right is gone who will be sorely missed.

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No one could well defend the heavy and ugly writing in which so much of our scientific thinking is expressed but when the critic complains about bad writing, he is not getting at the root of the matter. It is still true that the scientist cannot put into the ordinary loose and "well understood" words a proposition that is to him of any importance.

Which shall he choose to do? Take ordinary words and give them arbitrary precision and singleness of meaning? Or invent new words? In either case, he is in trouble with the practitioners of literature. If he uses common words with special meanings, he is scolded for his presumption. If he uses newly invented words, the cry of jargon is a swelling chorus. It does him no good at all to point out that he is only following timidly in the footsteps of the scientist who deals in physical matter, in so-called physical facts.—LYMAN BRYSON, "Writers: Enemies of Social Science," 28 *Saturday Review of Literature* 10 (October 13, 1945).

# Peculiar Characteristics of an International Administration

By ADRIAN PELT

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United Nations

WE ARE witnessing today the second attempt in a lifetime to establish a large-scale international administration. In 1919-20 at Geneva, it was the League of Nations Secretariat. In New York today, it is the Secretariat of the United Nations. Before examining the peculiar characteristics of an international administration and in order to see the present attempt in its proper perspective, it is useful to note the striking similarities as well as the differences between the League of Nations and the United Nations.

## *The UN and the League*

**Similarities.** One fundamental similarity is that both the League and the UN are based on the principle of national sovereignty. Neither one is a superstate in whatever form a superstate can be imagined. The League was, and the UN is, an international cooperative society of sovereign states bound by rules of conduct commonly and freely agreed upon.

A second fundamental similarity is that the UN, following the League precedent, deals with all aspects of international life: political, economic, and social. Experience teaches us that, in the practical day-to-day life of the international community, no aspect can be segregated from the others.

A third similarity is that, although the Charter leaves a wider scope for, and lays

more stress on, the possibilities of regional developments than did the League Covenant, the over-all character of both societies is nevertheless world-wide. For example, we have learned that, notwithstanding the regional character of certain health and communications problems, the essential issues affecting peace and security are world-wide in nature.

Finally, notwithstanding important differences in constitutional detail between the League and the UN, the over-all structure is the same. In both cases there is a general assembly giving expression to the sovereign equality of all member states, a limited council intended for executive action containing a group of leading powers with special responsibilities and corresponding rights, a court of justice, special councils and committees for special purposes, and a secretariat serving the organization as a whole.

**Differences.** These similarities between the League and the UN explain why there is, at first sight, a great deal of similarity between the Geneva Secretariat and the one which has been so laboriously planned in London for implementation in New York. Looking closer, one will, however, find a number of differences between the two administrations. The most fundamental of these differences—the one which should most of all retain our attention—is that while the Secretariat of UN has been planned thoughtfully and in detail, this could hardly be said of the Secretariat in Geneva at the time it was being organized.

NOTE: This paper was delivered as a luncheon address at the annual meeting of the American Society for Public Administration at Philadelphia, March 27, 1946.

The reasons for this striking difference are obvious. Today we benefit by the experience, good and bad, accumulated during the twenty-six years that the League Secretariat functioned. In 1919-20, when the first League officials began laying the foundations of what was to become the first large-scale experiment in international administration, there was no such experience to go by.

Worse than that, in 1919 nobody seemed to have any clear idea as to the scope and nature of the secretariat-to-be beyond the general notion that it would have to be permanent and international. It is therefore to the credit of Sir Eric Drummond and his principal collaborators that they clearly conceived the notion of a truly international civil service, a body of men and women bound by a sense of loyalty to the League, and that in the years following they succeeded in putting their ideal into practice. It is true that the first Secretary-General and his staff have often been criticized for the empirical way in which they proceeded to build up the service, with the result that it never entirely became a structure of logically planned relationships between the League's functions and the administrative instruments required to carry out these functions. Looking back at the Secretariat's machinery, there is no denying that this criticism is justified up to a point. It should also be observed, however, that no well-organized and well-directed administration, whether national or international, is possible in the absence of clearly defined directives from the policy-making organs. The League, taken as a political entity, was itself so much an experiment that the Council and the Assembly hardly ever found themselves capable of giving clear directives to the Secretary-General. If, nevertheless, the League Secretariat gained for itself a reputation of efficiency, it is thanks to the devotion with which the staff as a whole carried out its duties and to the intelligent way in which its leaders, profiting from the

experience they acquired, sought to adapt their machinery to ever-changing circumstances.

It has been rightly said that, if the League of Nations and its Secretariat had served no other purpose than to act as experimental laboratory for the UN, its existence would have been more than justified. It would have been unforgivable if, at the moment a second attempt at international organization was about to be made, no stock had been taken of a quarter of a century's accumulated experience and no pains had been taken to benefit from the achievements of the past.

#### *The UN Secretariat*

Fortunately, signs of a desire to learn and to profit from the past were already visible in the Dumbarton Oaks draft of the Charter and, to an even greater extent, in the Charter itself as it was finally signed at San Francisco. Apart from the important fact that the Charter contains a clearer and more elaborate definition of the functions of the organization and its organs than was the case in the League Covenant, an exceptionally striking example of this consciousness is to be found in the articles defining the general nature and the duties of the Secretariat. In particular, Article 100, paragraphs 1 and 2, refers to a situation which, although not entirely without precedent in the history of many a modern state, applies nowadays specifically to an international administration. It is the article which regulates the position of the staff with regard to the organization, on the one hand, and their respective governments, on the other. It settles in essence the ever-delicate question: What is an international official and what is his position with regard to the two loyalties which he has to observe—his loyalty toward the organization and that towards the country of which he is a citizen?

The report of the preparatory commission of the UN as accepted by the General

Assembly dwells in detail upon this particular problem by pointing out that:

Such a Secretariat cannot be composed, even in part, of national representatives responsible to Governments. For the duration of their appointments, the Secretary-General and the staff will not be the servants of the State of which they are nationals, but the servants only of the United Nations. Under the Draft Provisional Staff Regulations, all officials, upon assuming their duties, are required to make an oath or declaration that they will discharge their functions and regulate their conduct with the interest of the Organization only in view. Those appointed for two years or more must resign from any position they may hold in public or private employment, and none may accept any honour, decoration, favour, gift or fee in respect to services rendered during the period of his appointment or service in the Organization. Officials who become candidates for any public office of a political character must resign from the Secretariat.

But the obligations of the officials are not purely negative. It is essential that officials should be inspired by a sense of loyalty to the United Nations and devotion to the ideal for which it stands, and that they should develop an "esprit de corps" and a habit of daily cooperation with persons of other countries and cultures. Loyalty to the Organization is in no way incompatible with an official's attachment to his own country, whose higher interest he is serving in serving the United Nations. It clearly involves, however, a broad international outlook and a detachment from national prejudices and narrow national interests.

This problem of the international status of the staff also affects other aspects of the administration, such as: national composition of the staff, recruiting and appointment, length of contracts, the directorate of the Secretariat.

*National Composition.* The Charter (Article 101, paragraph 3) lays down the rule that "due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible." The motive prompting this stipulation is obvious. Each state contributing toward upkeep of the organization has a natural desire to see at least one, and preferably more, of its nationals serving on the Secretariat. Apart from considerations of prestige, the presence of nationals on the staff gives

states the feeling that their point of view is brought to bear upon the activities of the administration even when they are perfectly willing to admit that their respective nationals are entirely under the orders of the Secretary-General. Not all states, however, are capable of supplying the type of candidates who come up to the standard which the international civil service has to set in order to recruit an efficient staff. The problem of how to harmonize efficiency with recruitment of staff on the widest possible geographical basis is, therefore, particularly difficult to solve.

*Recruitment.* How is an international civil service to recruit its staff? The obvious answer to this question is, of course, that it must use the best methods developed by national experience. These methods, however, will have to be adapted to the special needs of an international organization. The first problem which arises is how to obtain reliable information on a candidate living far away from the headquarters of the organization and how to check this information. Can the national government of the candidate be relied upon to supply that information, or is there a danger that this government will color the application with too rosy a hue? Is there not even the danger that a government will discredit a good candidate whom, for political or other reasons, it does not wish to see appointed? The solution is that machinery for consultation between the personnel director of the international Secretariat and the governments of the state members will have to be set up in order to permit an initial selection on an objective and impartial basis while at the same time protecting the Secretariat against the dangers of favoritism and nepotism. As a matter of fact, certain governments of members of the UN have already taken steps in this desirable direction.

A second problem arises when, after initial selections have been made, examinations and tests have to be organized on an international competitive basis. League

experience shows that such a thing can be done, but it is costly and complicated. How is one to draw up examination papers striking a fair balance between the educational systems of the countries whose candidates are to be examined without sacrificing the standards of efficiency required by the Secretariat? Much of this depends upon the nature of the post which is to be filled. If the post requires exact knowledge on a precise subject—for instance, economics—it will be much easier to solve the problem than if a post to be filled requires a more general knowledge, as, for example, will be frequently the case in the department of Security Council affairs. Then there is the question of language; one cannot expect a candidate from, let us say, China to express himself in the same perfect way in English or French as a candidate of French or English nationality would be able to do. With these difficulties in mind, the report of the preparatory commission, as approved by the General Assembly, suggests that written examinations on exact subjects should be set and written in the language chosen by the candidate, and that countries with similar academic traditions might be grouped into examination areas. The report also clearly recognizes that it is not desirable for all potential members of the staff to have to submit to written examinations; in particular, this type of evaluation will be unsuitable for the higher posts. Wide discretion should therefore be allowed to the Secretary-General and his advisers in regard to this matter, and it is essential that the Secretariat should utilize, in its personnel office, specialists experienced in personnel selection and appraisal. In this respect the preparatory commission and the General Assembly also recommended the establishment of an International Civil Service Commission by the Secretary-General. Its duty would be to advise him on the methods of recruitment and on the means whereby common standards of recruitment may be ensured.

A further difficulty during the initial stage of recruitment will prove to be that, as a result of the war, the educational facilities in a great number of European and Far Eastern countries have been disorganized to such an extent that candidates who normally would have qualified for a post in the Secretariat are now not up to the required standard. In fact, many a government is already finding it difficult to suggest suitable candidates. To remedy this deficiency, the report of the preparatory commission suggests the establishment of a system of in-service training. Another recognized problem is presented by the political record of candidates, and the report suggests that the Secretary-General should take the necessary steps to ensure that no persons who have discredited themselves by their activities or connections with fascism or nazism should be appointed to the Secretariat.

*Conditions of Appointment, Length of Contracts.* A lesson taught by the experience of the League Secretariat is that, unless members of the staff can be offered some assurance of being able to make a career in the Secretariat, it will be difficult to attract able candidates. Nor can members of the staff be expected to serve the organization as loyal international officials if they receive only short-term contracts and thus remain dependent upon their national governments for their future. Moreover, it is in the interest of the Secretariat to build up sound administrative traditions, and this can only be done by ensuring continuity of appointment. For all these reasons, the Secretariat finds itself in the same position as a national administration—that is to say, it has to base its appointment and promotion policy on desirable civil service principles. The application of these principles in an international administration, however, is much more difficult than in a national administration.

First of all, the number of posts avail-

able in the UN Secretariat will be much smaller than in a national administration of even a small state. There is a special reason for this situation which escapes casual observation. A national executive normally carries out, by its own resources, all the work which the policy-making organs of the country instruct it to do. An international executive, however, has at the very best a very limited executive task, and will have so long as the international organization is merely a cooperative society of sovereign states. It follows, therefore, that the international executive has no great body of public services ready to give immediate effect to policy decisions. On the contrary, decisions by international bodies usually require implementation by national administrations.

Second, the necessity of observing geographical distribution in the appointment of staff and the maintenance of a balance of nationalities throughout the service necessarily limits the possibilities of normal promotion. An international secretariat is more like a pyramid in form than a national administration. The higher an official rises in the ranks, the fewer the possibilities of promotion; and these possibilities are made even more slender on account of the nationality problem. Frequently in the League a man who, normally, would have been entitled to promotion could not achieve such promotion because that would have upset the nationality balance in the higher grade—and the higher the grade, the more this factor entered in.

In order to develop a corps of career employees and yet to allow flexibility it has been decided that contracts in the lower and middle grades in the UN Secretariat will be for an indeterminate period, subject to revision every five years on the basis of reports by the superior officers of the officials concerned. The authors of the preparatory commission's report hoped that this arrangement would act as a stimulant

to the zeal and good conduct of the staff, while at the same time permitting the elimination of members of the staff who have not proved themselves up to standard. The report makes it clear, however, that no appointment can be terminated in order to make way for the appointment of a person of some other nationality or for reasons not connected with the staff member's own work. Higher officials—assistant secretaries-general, directors, and such other principal higher officers as the Secretary-General may choose to appoint—are to receive five-year contracts, subject, however, to the possibility of renewal.

To provide further flexibility, the Secretary-General has been given freedom to offer temporary appointments to specialists in particular technical fields as well as to persons with special political qualifications required for the performance of urgent and special tasks. He will also be entitled to make temporary appointments from geographical regions inadequately represented in the Secretariat if suitable candidates from such regions are not readily available for permanent appointments. Finally, it has been left open to him to invite national governments to second officials to the Secretariat for periods not exceeding two years in order to strengthen personal contacts between the Secretariat and national administration.

In addition to the specific provisions cited above, the hope was expressed by delegates to the preparatory commission that interchange of personnel between the UN Secretariat and specialized international agencies would be encouraged. Such interchange would expand the opportunities for advancement of the future international civil servant.

By all these means, it is hoped to maintain a flexible personnel policy in the Secretariat while, at the same time, permitting the building up of a core of officials for a career service.

*Financial Procedures*

WHEN trying to understand the financial setup of an international organization, we have once more to keep in mind that, in the present-day world, such an organization is—and can only be—a cooperative society of sovereign states. That fact means that the organization's treasury is not fed by taxes from individual citizens, but from contributions paid by the state members of the organization. This raises immediately the problem of how these contributions are to be scaled, and experience has shown that this is a highly delicate problem. The difficulty lies not in the actual importance of the amount of the contribution so much as in the pro rata share contributed by each state, since a state always has the tendency to compare its contribution to those of sister states of equivalent importance. It follows that the only possible criterion for scaling contributions is "capacity to pay." This, in turn, raises another difficulty—how is the capacity to pay to be estimated? Various methods have been suggested to solve this problem. Statistical experts have proposed that capacity to pay could be calculated on the basis of mere statistics, while politicians always tend to bring into play considerations of prestige. The system finally worked out by the League, after a good deal of trial and error, was based in part on mathematical grounds and in part on common sense. It goes without saying that any contribution scale worked out along these lines requires constant revision, recognizing the changing circumstances of the capacity to pay of individual states.

A second aspect of the financial procedures of an international organization is the actual payment of contributions. Since the contributors are states, i.e. political entities, it is almost unavoidable that they should look upon their contributions to the organization as payments of a political nature, with the result that a number of gov-

ernments are always inclined to let their preparedness to pay depend upon political considerations—a highly unsatisfactory state of affairs from the point of view of the treasury of the organization. It is, therefore, no wonder that the League of Nations has repeatedly tried to work out a system whereby the payment of contributions would be made a mechanical or automatic process. (In other words, contributions should be treated as a strictly financial obligation—not a political one—which must be met at a stated date.) At one time, for instance, the plan was conceived to transform contributions to the League into commercial debts comparable to state financial obligations. However, these plans never materialized, and there can hardly be any doubt that the new organization will have to face this problem afresh. Suggestions have already been made to arrange for the payment of contributions through the Bretton Woods Bank. This entire question will require careful study.

A third aspect of the financial procedures of an international organization is found in the actual budget procedure and relevant questions. Time does not permit me to deal with these problems in detail, but one essential point should be given prominence: the crux of the problem is how the General Assembly, as the highest budget authority under the Charter, will look upon the organization's expenditure. Will the General Assembly, from the outset, wish to run the organization on a "shoestring," as became the habit of the League Assembly almost immediately after it had become clear that the United States did not intend to become a member and would consequently not contribute to the upkeep of the League? Or will it take the attitude that the organization must, at all costs, become a success and that therefore, although extravagance is to be avoided, no expense should be spared to enable the organization to grow for the benefit of the international com-

munity as a whole? After the terrible lesson of this last war, it is to be hoped that the second conception is going to prevail. Even then, however, a strict financial policy on behalf of the Secretariat will be required, and budget procedures, elastic but at the same time intent on preventing waste, will have to be instituted. It seems a good augury that the preparatory commission and the recent General Assembly, assisted by a group of competent experts on administration and finance, have understood the importance of introducing constructive budgetary methods. The hope is justified that, with a Secretary-General who has full

comprehension of his duties in this field, the Secretariat may be spared the over-rigid control which the League Assembly formerly exercised.

#### *Conclusion*

IT is heartening that the preparatory commission and the General Assembly clearly attempted to benefit from League Secretariat experience. It is even more heartening that, while outlining the unusual problems to be met, they have provided a flexible framework within which the Secretary-General and his staff may exercise discretion in the development of solutions.

# Organizing the United Nations

By DONALD C. STONE

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THE United Nations presents the range of constitutional, organizational, and administrative problems found in any federal, state, or local government, plus additional ones resulting from its international character.

Because of the international character of the organization and the complexity of its structure, it will take an exceptional amount of executive leadership and skill to make the UN work from a purely administrative standpoint.

Let us look at the UN structure. The Charter drafted at San Francisco provides for six principal organs. One is the General Assembly, a deliberative body representing the fifty-one member states. It meets annually in September and on special call. It is the nearest thing to a legislative body in the UN.

The Security Council, partly an executive and partly a judicial organization, consists of five permanent members and six others elected for two-year terms by the General Assembly. It is primarily responsible for maintaining international peace and security and is in continuous session. A military staff committee advises the council on military requirements for the maintenance of peace and security, the employment and command of forces of the UN, the regulation of armaments, and possible disarmament. The chiefs of staff of the permanent members of the Security Council—U.S.A., U.S.S.R., United Kingdom, China, and France—make up the military staff committee.

The Economic and Social Council, with

specialized functions relating to economic, social, cultural, educational, and health problems and the promotion of respect for human rights and freedoms, is a representative organ consisting of eighteen members elected by the General Assembly. Much of its work will be carried out through subsidiary commissions.

The Trusteeship Council, which under the aegis of the General Assembly will guide the international trusteeship system provided in the charter, consists of an equal number of members who administer trust territories and members who do not.

The International Court of Justice is the judicial arm of the UN. Membership in the UN carries with it adherence to the statute establishing the court. It consists of fifteen judges elected jointly by the Security Council and the General Assembly. Its seat will be at The Hague.

The sixth principal organ established by the Charter is the Secretariat. The Charter gives only a sketchy outline of the role of the Secretary-General. During the Dumbarton Oaks and San Francisco conferences the Secretariat was always taken for granted, and little imagination went into describing the constitutional position of the Secretary-General. Provisions in the Charter for the Secretary-General and Secretariat which he heads more closely parallel those of the covenant of the League of Nations than any other part of the charter.

From an operating standpoint, further complications arise in the UN structure from the fact that the work of "specialized agencies," such as the Food and Agriculture

Organization, and the United Nations Educational, Scientific, and Cultural Organization, have to be coordinated with the UN through agreements made with them by the Economic and Social Council and approved by the General Assembly.

Anyone who considers this structural set-up will see the possibility of many administrative difficulties. Coordination of the many parts becomes a task of some magnitude, and because coordination is a function of management the Secretary-General must provide the necessary leadership and guidance. This function is not clear cut, however, for the Charter emphasizes the coordinating role of the General Assembly and the Economic and Social Council. The assumption in the UN meetings has been that the various organs and specialized agencies will work together in harmony, but this result will not be achieved by chance.

My purpose in this paper is to discuss the steps which have been taken to provide the necessary administrative leadership and to establish an effective secretariat. I will discuss the problems of internal organization, the recruitment and management of the staff, and budgetary and administrative planning developments.

#### *The Work of the Preparatory Commission*

THE STEPS being taken today to install the Secretariat in a temporary seat in New York City and to carry on the meetings of the Security Council and the Economic and Social Council are the result of much advance planning and discussion. While a great deal of time and waste motion that went into activating the UN could have been avoided if the Secretary-General had been named in the Charter, as was the case in the League Covenant, the next best procedure was adopted. A preparatory commission was established under an interim agreement signed by the nations at San Francisco to do the initial planning.

The commission, consisting of repre-

sentatives from all of the United Nations, was charged with developing a provisional agenda and doing other necessary preparatory work for the first sessions of the principal organs and with recommending arrangements for the Secretariat. The commission met at the close of the San Francisco conference and directed its executive committee, made up of representatives of fourteen countries, to develop preliminary recommendations and working papers. The executive committee met in London from August till the end of October. Its report became the working agenda of the full preparatory commission, which met during November and December.

The executive committee and later the full preparatory commission studied intensively such matters as the role of the Secretary-General, the organization and functions of the Secretariat, methods of staffing and administering the organization, and budgetary policies and financial practices. The objective was to work out the recommendations in such detail that the Secretary-General could get the organization under way as soon as he was appointed.

#### *Method of Resolving Administrative Issues*

THE way in which the staff regulations were developed provides an illustration of the total process involved in formulation and final adoption by the General Assembly of an administrative resolution. The executive committee's subcommittee on the Secretariat compiled a proposed set of regulations based on the League, ILO, and other staff rules. Since the preparation of such regulations is a very technical job, the best experts in the field of personnel administration should have worked on the subject. Instead, the representatives of the different member nations, most of whom knew little about the technical aspects of the problems with which they were wrestling, arrived at their proposals through the process of debate and compromise.

The suggested staff regulations that emerged from the executive committee were extremely detailed, too detailed for enactment by the General Assembly. Accordingly, the administrative and budgetary committee of the preparatory commission decided that they should be simplified. A small subcommittee was set up for this purpose. The subcommittee took the sound approach that the regulations should contain only those matters on which it was essential and appropriate for the General Assembly to legislate and that the Secretary-General should issue draft rules incorporating the more detailed provisions. The subcommittee received considerable help from the advisory group of experts on administrative and budgetary matters—a group of nine persons appointed by the executive secretary of the preparatory commission to supply a technical staff to help the commission.

The new draft of the staff regulations was brought back to the administrative and budgetary committee, where it was debated and adopted with some amendments. Two meetings were spent ardently debating a proposal that the Secretary-General be required to secure the consent of a prospective staff member's government before he could be appointed. This proposal was finally voted down decisively.

The recommended staff regulations were adopted as a part of the report of the administrative and budgetary committee and included in the full report of the preparatory commission. When the General Assembly convened on January 10, the chapters of this report dealing with the Secretariat and administrative and budgetary arrangements were referred to the Assembly's administrative and budgetary committee for consideration and report. The committee approved the provisional staff regulations which were a part of the report, and the Assembly in plenary session adopted a draft resolution incorporating them.

### *The Role and Functions of the Secretary-General*

THE Secretary-General is handicapped at the start by a weak title. Most of the specialized agencies have given their chief administrative officer an imposing title such as director-general, but the UN organization carried over the term used in the League of Nations. It will be a tragedy if the conception of this office is also carried over, for a totally different kind of post is required. The UN needs a Secretary-General and a Secretariat which are far more dynamic and which provide far more leadership in the conduct of international activities than was the case in the League. The Secretariat must be adapted to the distinctive functions, constitutional arrangements, and international environment of the UN. A new quality of administration is required to cope with the problems of a new world.

Although the provisions of the Charter that relate to the administrative functions of the Secretary-General and the Secretariat are sketchy, the Charter contains no negative provisions to prevent the development of the office into one of great leadership and influence. Moreover, the Charter provides the Secretary-General with far-reaching and important political responsibility that gives his job a broad statesman-like quality.

Many people think that the meetings of the General Assembly or the work of the councils are the only important aspects of the UN, for it is here that representatives of the nations decide issues. They consider the Secretariat as a body which provides technical services or performs work of a ministerial character. This concept does not recognize the requirements for planning and action in the modern world. While the Secretary-General is not a chief executive in a constitutional sense, he must provide the leadership required to coordinate the work of the organs and to rally world support for collective action through the UN. He and his staff are the only truly inter-

national elements in the UN. The General Assembly and the councils are bodies representative of the member nations, and the delegates on those bodies must carry out the policies of the countries they represent.

The Secretary-General and his assistants must always represent the viewpoint of all the nations. They can supply perspective and the broader goals of a world viewpoint which will help offset the sectional or special interests of individual members. While the Secretary-General can never function in an authoritative manner, he can provide great moral leadership. He must take steps in a hundred and one ways to bring about a spirit of cooperation and conciliation on the part of members who might otherwise obstruct the solution to problems under consideration.

The functions of the Secretary-General are specified in part by the Charter, but many of them are inherent in his role as chief administrative officer. Three types of functions warrant comment: (1) administrative functions, (2) special responsibilities relating to the organs of the UN, and (3) political functions.

The Secretary-General as the chief administrative officer of the Secretariat is responsible for planning and directing its work, for developing its administrative organization, for recruiting and managing the staff, for organizing the financial services, for providing conference and general services, for establishing reporting facilities, and for maintaining effective public relations. The way in which he performs this job will have an important effect on the organization's standing, for in the eyes of the world, the Secretary-General personifies the United Nations.

Above all, on the administrative side, he must develop an effective working environment and tradition for the Secretariat and insure high moral purpose, good will, and loyalty to the organization on the part of all the persons on the staff.

Under the Charter the Secretary-General

is far more than the administrative head of the Secretariat; he is also the Secretary-General of the several organs. In serving the organs he must see that each receives technical help on matters under consideration and that the Secretariat does its part in carrying out the programs and decisions of each organ. The organs will put many competing demands on the Secretariat, and there will be a tendency for each to go off independently. The Secretary-General is the only person who can provide a unifying influence throughout the entire structure.

The significance of the Secretary-General's political responsibilities is implicit rather than explicit under the Charter. Political leadership is needed in discharging his responsibilities for the administration of the Secretariat and the integration of the activities of all the UN organs. In addition, the Charter vests a political function of great importance in the Secretary-General. A paragraph from the report of the preparatory commission emphasizes the significance of this responsibility:

Under Article 99 of the Charter, moreover, he has been given a quite special right which goes beyond any power previously accorded to the head of an international organization, viz: to bring to the attention of the Security Council any matter (not merely any dispute or situation) which, in his opinion, may threaten the maintenance of international peace and security. It is impossible to foresee how this Article will be applied; but the responsibility it confers upon the Secretary-General will require the exercise of the highest qualities of political judgment, tact, and integrity.

All the actions taken by the preparatory commission and the General Assembly supported the importance and potential development of the office of the Secretary-General along the lines suggested above.

#### *General Assembly Control Over the Secretary-General*

THE question of how much control the General Assembly should exercise over the Secretary-General became one of the most debated issues before the preparatory commission. The executive committee, in

its proposals to the preparatory commission, had assumed that the commission should recommend and the General Assembly adopt very detailed arrangements for organizing and operating the Secretariat.

The United States delegation, on the other hand, believed that the General Assembly should deal only with matters of broad policy and make only those decisions which would enable the Secretary-General to proceed with the organization of the Secretariat. The delegation pointed out that it was impossible to determine the precise organization and administrative facilities until the scope and content of the Secretariat's program had been more clearly defined, and that the organization should be adjusted in the light of experience. Moreover, since the Charter makes the Secretary-General responsible for the organization and staffing of the Secretariat, with the General Assembly specifically authorized to act only on the budget and staff regulations, the delegation held that the Secretary-General must be free to develop the detailed organization and administrative practices.

The view of the United States delegation on the responsibilities of the Secretary-General prevailed, but the preparatory commission decided that he should be provided with a plan of organization for his initial guidance. The resolution containing the plan adopted by both the preparatory commission and the General Assembly also authorized the Secretary-General to "make such changes in the initial structure as may be required, to the end that the most effective distribution of responsibilities and functions among the units of the Secretariat may be achieved."

This solution recognizes that "administrative organization" is a policy matter only in a very general sense. Primarily it is the vehicle through which the Secretary-General will carry out his responsibilities under the Charter. If he is to serve the competing requirements of the General Assembly and the three councils and dis-

charge his varied responsibilities as chief administrative officer, he must be able to mold the organization to meet these needs and to develop it into a dynamic institution able to cope with ever-changing conditions and work.

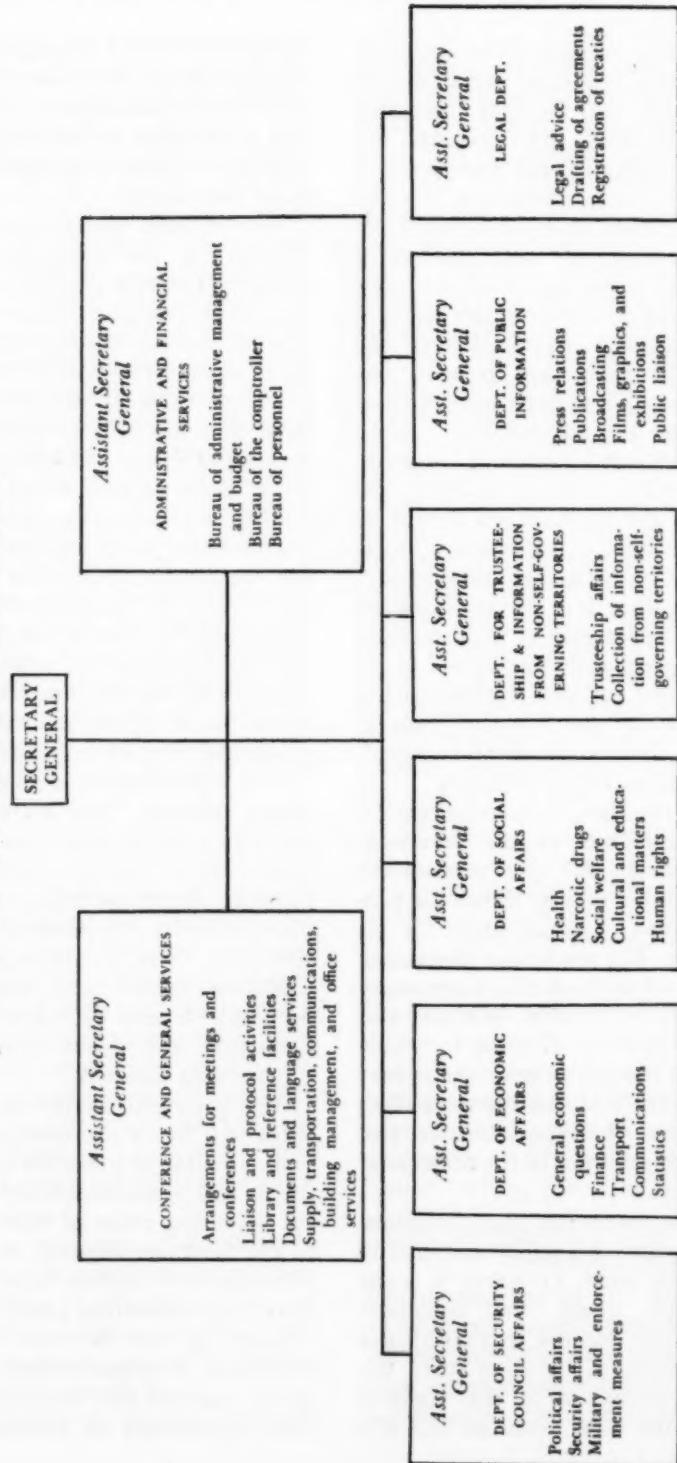
The debate in the preparatory commission on the necessity of giving the Secretary-General freedom to organize the Secretariat was part of the long-range problem of whether the Secretary-General will be a "chief clerk" or whether he will be the chief executive of the UN. Carrying this issue into the field of General Assembly-Secretary-General relationships, the "chief clerk" point of view would require the Assembly to prescribe in detail the activities, organization, methods, and procedures of the Secretariat. The other extreme would be to view the Secretary-General as solely responsible for the Secretariat. The role of the General Assembly would, therefore, be confined to the appointment of the Secretary-General, approval of the budget, and enactment of staff regulations.

The sound approach no doubt lies somewhere between. The Secretary-General is elected by the General Assembly and is its agent. He is also the agent of the three councils. Since the Security Council exercises authority independent of the General Assembly, there will be more likelihood of conflicting requirements imposed upon the Secretary-General by this body than by the Economic and Social Council and the Trusteeship Council.

The principal danger in these relationships will lie in the tendency of the General Assembly to prescribe detailed arrangements and procedures which from a practical operating point of view should be left to the Secretary-General. His authority in administrative matters must be equal to the heavy responsibilities placed upon him.

Granting the Secretary-General broad discretion in organizational and administrative matters will not allow him to function capriciously or arbitrarily; in many

INITIAL PLAN OF ORGANIZATION OF THE SECRETARIAT



ways his operations will be under constant surveillance. Since he is nominated by the Security Council and appointed by the General Assembly he must be satisfactory to both bodies. Then, too, under the Charter, he must report annually to the General Assembly on the work of the organization, and the Assembly must approve his budget. The advisory committee on administrative and budgetary questions, one of the standing committees of the General Assembly, will analyze and report on the budget to the General Assembly and will examine the organization's administrative arrangements, work program, and procedures. The Secretary-General will be governed by a variety of regulations, such as those relating to staff, budget, finance, and assessment and collection of contributions, and also by certain policy regulations, as, for example, those relating to the conduct of public information work. An independent audit will be made of the financial operations of the Secretariat.

Of more importance than these controls is the fact that the Secretary-General must meet the service needs of all the organs. His standing, indeed his survival, will depend on how well he meets these demands. The Secretary-General will therefore inevitably seek the advice and wishes of the organs in performing his work.

#### *Organization*

THE attached chart showing the present organization arrangement of the Secretariat is almost identical to the plan recommended by the General Assembly. The text of the recommendations reflecting this plan was adopted only after long debate in the administrative and budgetary committee of the preparatory commission. The principal organizational issues were:

1. Should the departmental subdivisions of the Secretariat be on the basis of the duties which the organs would require the Secretariat to perform, or should the departments be made up of functions which,

because of the subject matter, technique, or process involved, have a close inter-relationship?

2. Should the "general staff" services, such as budgeting and program planning, administrative planning, personnel, and fiscal policy, be set up as staff services to the Secretary-General, or should they be established in departments as is the traditional practice in most national governments?

3. Should the assistant secretaries-general serve as operating heads of only one department, or should their functions be broad enough to include supervision of two or more departments?

The executive committee recommended to the preparatory commission that the Secretariat should consist of eight departments, as follows: (1) department for the maintenance of international peace and security, (2) economic department, (3) social department, (4) department for trusteeship and information from non-self-governing territories, (5) legal department, (6) personnel and administration department, (7) treasury department, and (8) information department.

While a majority of the fourteen representatives on the executive committee favored this so-called "functional" plan of organization, a minority group recommended that the Secretariat should be organized into a combination of sub-secretariats and departments. Under this plan, advocated principally by the Soviet Union, there would be the following major subdivisions in the Secretariat: (1) the secretariat of the Security Council, (2) the secretariat of the General Assembly, (3) the secretariat of the Economic and Social Council, (4) the secretariat of the Trusteeship Council, (5) the administration and financial department, (6) the legal department, and (7) the information department. This latter plan became known as the "organic" plan because it was set up principally to serve the representative organs.

The organizational plan that was finally developed combined both the functional and organic approaches. The functions in the departments relate closely to the organs of the UN, but the Secretary-General will use any one of the departments to meet the needs of the General Assembly and the Security Council. The departments will also call on each other for help whenever necessary.

*Organization of the General Staff and Service Functions*

THE way in which the general staff and service functions were finally organized (see chart) differs considerably from the majority and minority recommendations of the executive committee. There was pressure from former League officials to establish a treasury department and a personnel and administrative department. Since most representatives were unfamiliar with the general staff concept, it was hard to develop the idea of staff offices serving as management arms of the Secretary-General, and therefore occupying a position in the organization different from that of the operating departments.

In the initial United States amendment in the preparatory commission, conference and general services were placed with the budget, administrative planning, personnel, and comptroller functions under one assistant secretary-general. In the course of long discussion, conference and general services were pulled out and placed under a separate assistant secretary-general, because it was argued that they would require a large part of the Secretariat personnel and that it was not wise to have such a large operation in a general staff office. In an international organization these general services loom larger than in a national or local government, for they include language, documents, translation, and library services, in addition to the more common services of procurement and supply, transportation, operation of buildings, com-

munication, etc. The arrangement of these services into bureaus has not yet been announced.

*Role of Assistant Secretaries-General*

THE role and duties of the assistant secretaries-general has a direct bearing on the Secretariat's internal organization. During the course of debate in the preparatory commission, the principle was established that the assistant secretaries-general should act as advisors and deputies to the Secretary-General in their subject-matter fields, in addition to performing their operating jobs as heads of departments. They were also to help maintain the necessary working relationships with the organs and the specialized agencies.

The United States delegation proposed that the departments of economic and social affairs be placed under a single assistant secretary-general to assure coordination of their closely related functions and to provide a single point for maintaining working relations between these departments and the Economic and Social Council. While this idea was adopted in principle by the preparatory commission, pressure exerted by certain countries that were particularly interested in the work of one of these two departments and that wanted more appointive assistant secretary-general positions has resulted in the two departments being placed under separate assistant secretaries-general.

The principle of grouping several departments with related functions under one assistant secretary-general will be more important if the number of departments is increased. Six or seven assistants are about all that the Secretary-General can supervise readily.

The General Assembly's resolution defining the role and functions of assistant secretaries-general provides that one of them shall deputize for the Secretary-General during his absence or incapacity.

This means that the Secretary-General must use an assistant secretary-general with specialized functions as his deputy, since there was no provision for a general assistant. I believe that the Secretary-General's responsibilities place such a burden on him that some sort of an under secretary-general or deputy is needed. The deputy question was discussed in the preparatory commission but was dropped, partly because of the long argument about deputies that took place at San Francisco and partly because of a general feeling that no one should share the general responsibility of the Secretary-General. There was fear on the part of some countries that a national of a big power might be appointed deputy. The issue was never really discussed on its merits.

#### *Staffing the Organization*

ALL persons who join the Secretariat of the UN must take the following oath:

I solemnly (swear) promise to exercise in all loyalty, discretion and conscience the functions entrusted to me as a member of the international service of the United Nations, to discharge these functions and regulate my conduct with the interests of the United Nations only in view, and not to seek or accept instructions in regard to the performance of my duties from any Government or other authority external to the Organization.

Some two or three thousand persons in the next year or two will have to make this switch in loyalty to the UN. The group will be selected with an eye to securing broad geographic and balanced age distribution and to offering equal employment rights to men and women. The quality of persons recruited for the Secretariat's staff will be the most important factor in its success or failure. No matter how sound the organization plan may be, the Secretariat will fail to meet its responsibility unless the key officials are persons of outstanding competence, integrity, and good will who will attract others of equal caliber into the lower ranks. The need for good top leadership is especially important in an inter-

national organization because of the difficulties of fitting together into a working team persons who come from widely diverse political, cultural, and language backgrounds.

In early discussions, reflecting diplomatic practice and the methods used in the League of Nations, numerous delegates supported the idea of establishing an "official class" within the Secretariat, made up of professional people who would have special privileges and immunities. The rest of the employees would have been persons who "also worked there." Fortunately, democratic principles prevailed, and it was decided that all employees of the UN should be on an equal basis. As a result, all members of the staff are considered to be one group and are treated as such in the staff regulations and in the resolutions regarding employment and conditions of service.

If highly qualified staff is to be recruited on a world-wide basis, the Secretary-General will need to establish a resourceful and persevering personnel office. The bureau of personnel will be under the immediate supervision of the assistant secretary-general in charge of administrative and financial services (see chart). Assisting in an advisory capacity will be an International Civil Service Commission to be appointed by the Secretary-General after consultation with the heads of the specialized agencies such as the Food and Agriculture Organization and the United Nations Educational, Scientific, and Cultural Organization.

The preparatory commission spent a great deal of time discussing the role and appointment of the International Civil Service Commission. The debate centered around two issues: (1) should the commission be an advisory or an operating body, and (2) should it be appointed by the General Assembly or the Secretary-General?

As to the first issue, the preparatory commission finally decided that the International Civil Service Commission should

advise on methods of recruitment and on the means by which common standards of recruitment in the Secretariat and the specialized agencies may be insured, and that the operation of a vigorous and forthright recruitment program should be the responsibility of the personnel office, staffed with the best technical help available from the various countries. Assignment of an operating role to the commission does not seem feasible in the near future, although it may be desirable ultimately for the commission to conduct a recruitment program if staff appointments are not made on the basis of merit. There will be heavy pressures upon the Secretary-General and his assistants to appoint particular individuals. The Secretariat can more easily than not provide an international patronage system under which the member governments would use the UN as a job source for political favorites or personal friends. If the effectiveness of the Secretariat should be destroyed in this manner, the General Assembly will no doubt impose policies and procedures to restrict the Secretary-General's discretion.

It was decided, in spite of strong support to the contrary, to have the Secretary-General rather than the General Assembly appoint the International Civil Service Commission because it did not seem appropriate for the General Assembly to appoint advisors to help the Secretary-General carry out his functions. For some reason it did not seem obvious to some of the delegates that the Secretary-General must appoint his own advisors, just as the General Assembly will appoint all persons or bodies advisory to it.

The preparatory commission recommended, and the General Assembly adopted by reference, the establishment of high qualification standards and a world-wide recruitment system. However, these recommendations assumed, unrealistically, that written tests could be used extensively, particularly in the first year or two. The impracticability of using written tests for

selection to most posts does not mean that systematic determination of qualifications is impractical. On the contrary, many methods are available to arrive at a judgment of capabilities—e.g., appraisal of an individual's experience and achievement, review of examples of work, demonstration of skill, an evaluation of his aptitudes, capacities, knowledge, and character by persons for whom he has worked, oral interviews, physical examinations, and group testing.

Concurrently with the discussion of methods of selection and recruitment, the preparatory commission took up the issue of the term of appointments that should be offered to UN employees. One of the first questions that arose was whether staff should be employed on the basis of short-term contracts to be renewed periodically or whether the career civil service principle of indefinite appointment (recommended by the United States) should prevail. Because it is so difficult to establish and apply recruitment standards for an international organization, there are valid arguments in favor of a contract, such as the seven-year period used by the League of Nations, or the five-year period proposed by the executive committee, so that persons who do not measure up to the requisite qualifications can be readily eliminated at the end of the contract.

The final resolutions adopted by the General Assembly provide a practical solution which takes advantage of the merits of both approaches. Provision is made for the appointment of temporary staff at all times and, pending the establishment of the permanent classification plan, for appointments on short-term contracts. When the permanent system is established, staff will be given contracts for an indeterminate period subject to the successful conclusion of a probationary period and subject to review every five years. In addition to this thoroughgoing review of an employee's performance at five-year intervals, his work will

always be subject to appraisal, and he can be separated at any time for unsatisfactory work or when it is necessary to reduce the staff.

Recognizing that the assistant secretaries-general and certain other principal positions are somewhat "political" in character, and that special negotiations by the Secretary-General are inevitable in filling these posts, these appointments are to be made for periods not to exceed five years, with the possibility of renewal.

#### *Classification and Salaries*

THE preparatory commission's debates on the question of classification reflected the misunderstanding that many people have as to the real purpose of a classification system. Many delegates familiar only with diplomatic and continental civil service practices pressed for the adoption of a series of protocol or grade titles which would be applied to all members of the staff. Indeed, the executive committee had recommended grading according to ten classes: assistant secretary-general, director, assistant director, counselor, principal secretary, assistant principal secretary, secretary, head assistant, senior assistant, and junior assistant. Under this system, a chief documents officer might be called an assistant secretary, the building engineer might be a counselor, and a young staff attorney could be classified as a senior assistant.

It took a great deal of persuasion to demonstrate that not only was such a single set of titles unsuited for the UN organization, which will need persons with a wide range of skills, but that the establishment of such a series of grades, even if salary ranges were attached to them, does not insure that positions will be properly allocated to the grade. After much discussion of the principles of modern position classification, the preparatory commission, and later the Assembly, authorized the Secretary-General to make arrangements: (1) for a classification plan of all posts required by

the Secretariat, based upon the duties, responsibilities, and authority of each post; (2) for the grouping of posts by main categories and within categories by grades; (3) for the assignment of appropriate salaries to each main category and grades therein, according to the salary standards which may be established by the General Assembly; and (4) for the assignment of each post in the Secretariat to its appropriate category and grade on the basis of its duties, responsibilities, and authority. In addition, the Secretary-General was given authority to hire persons on special short-term contracts outside the classification plan when necessary.

The Personnel Bureau is using plans of the advisory group of experts and the planning staff of the Secretariat in developing a modern classification system. While a systematic set of salary ranges will be used as a reference in applying salaries to each category of position, the plan will minimize the invidious comparisons which are possible in the federal government where a vertical series of grades is employed and positions are assigned to grades. Unfortunately, all too often privileges, rank, and social distinctions become attached to grade levels.

The effect of such a plan on morale is of highest significance. In an international organization it is particularly important to reduce to a minimum the difficulties that arise over differences in rank. The elimination of easily made comparisons in rank is one of the first steps in such a program.

The salary levels of the Secretariat are substantial. The Secretary-General will be paid \$20,000 net (i.e., \$20,000 plus any taxes he is required to pay). In addition, he will receive representation allowances amounting to \$20,000 and will be provided with a residence. For the assistant secretaries-general a net salary of \$13,500 plus allowances ranging from \$3,000 to \$7,000 has been authorized. At the next levels are the positions of directors, who will act as

deputies to assistant secretaries-general or as the heads of the bureaus of budget, personnel, and comptroller. The directors will receive a salary of \$11,000 net, plus certain allowances. This level may be viewed as the top level of the classified civil service.

It is apparent that these posts provide a salary considerably above the top administrative level in the federal government and far in excess of salary levels in all but a handful of countries. Such high salary levels, supplemented by the very liberal systems of allowances, retirement provisions, leave, and other conditions of service, which have been proposed by the preparatory commission, will make the UN an extremely attractive place for employment. It will be possible for the UN to attract persons with the highest levels of training, experience, and competence to be found in the member countries.

#### *Taxation of Staff Salaries*

TRADITIONALLY, employees of international agencies are not taxed. However, since the practice is not universal, many complications arose in the General Assembly in its efforts to provide a plan which would assure equal pay for equal work. The United States, for example, under present law, levies income taxes on its nationals working for the UN within the United States but does not levy the tax on those working outside the country. The United Kingdom and some other countries have the same policy. Thus, a United States citizen working at the seat of the UN would be taxed, while a United Kingdom citizen would not be taxed, but the tables would be turned if the two were working in a UN office in London.

It was to meet this problem that the General Assembly approved salaries on a net basis and authorized the Secretary-General to reimburse those members of the staff who were required to pay national income taxes. This plan has the disadvantage of diverting

UN funds into certain national treasuries.

Another idea debated, but not adopted, was the establishment of a tax equivalent or staff contribution system under which the UN would operate its own "tax system." Under such a plan, the UN itself would deduct from the salaries of its employees amounts based upon a schedule equivalent to the United States income tax schedules. Employees who pay national income taxes would deduct such taxes from the amount they would contribute to the UN. Not only would this meet the moral and political issues entailed if there were a group that were tax-free, but it would also meet the social objectives of an income tax. Salary scales could then be made comparable to prevailing rates in the United States. This proposal was referred to the Secretary-General for study and report.

#### *Personnel Appeals Machinery*

FOLLOWING the precedent of the League of Nations, the General Assembly recommended that the Secretary-General appoint a committee to draft a statute for an administrative tribunal which "should be competent to adjudicate on any dispute arising in connection with the fulfilment of an official's contract." The conception of such a tribunal is an outgrowth of civil service practice in western Europe, where the vested rights of civil servants have almost overshadowed other personnel matters. The preparatory commission was divided as to what the proper role of the tribunal should be. While assurances were given that the tribunal would have jurisdiction only over the settlement of legal complaints submitted by staff members, the commission was unwilling to make that clear in the text of the resolution.

Anyone with administrative experience will see quickly how dangerous such a tribunal might be. If the tribunal were set up as an independent body with final authority for decision on appeals from disciplinary actions or removals from the service, it

would threaten development of a responsible civil service in the UN.

Legal claims, which are really personnel appeals concerned with salary settlements, amount of leave, etc., should be handled by the machinery the Secretary-General establishes to hear other staff complaints and appeals. The interests of UN employees will be fully protected by the staff regulations and the staff rules of the Secretary-General and by the provision for review and appeal machinery. If it were felt necessary to provide a more formal means for action on legal claims, it would be possible to assign this function to the International Civil Service Commission.

#### *The Budget and Financial System*

CONSIDERABLE progress has already been made in establishing an effective system of budgetary and financial administration for the UN. The Secretary-General has been authorized to formulate and present the annual budget of the UN to the General Assembly; we find here all the earmarks of an "executive budget." The Assembly at its January meeting adopted provisional financial regulations which give the Secretary-General considerable discretion in the administration of the budget. He is authorized to make transfers between the principal headings of the budget during the financial year 1946. Some delegations objected to giving this discretion to the Secretary-General, but as a practical matter such transfers will be necessary during the next two or three years of the organization.

The financial regulations also authorize the Secretary-General to allot in writing the appropriations voted by the General Assembly prior to the incurring of obligations. The regulations require internal financial control which will assure regular receipt and disbursement of all funds and the conformity of all expenditures to the appropriation provisions voted by the General Assembly.

The system of accounts and financial pro-

cedures which the Secretary-General is required to establish are based upon sound principles. They cover the maintenance of accounts on an accrual basis, the keeping of budgetary and proprietary accounts, the pre-audit of all expenditures prior to payment, and similar matters. The accounts are kept in the currency of the United States.

Since the Secretary-General was not appointed in time to prepare the 1946 budget, the executive secretary of the temporary secretariat, with the help of the advisory group of experts, prepared and submitted to the General Assembly a provisional budget of \$26,000,000 for the calendar year 1946. This provisional budget provides for all expenses of the Secretariat and for meetings and other expenses of the organs, including the International Court of Justice. The General Assembly, exercising its budgetary prerogatives, cut the budget to \$21,500,000.

The provisional budget will be financed from a working capital fund of \$25,000,000 which the General Assembly authorized. The working capital fund will be made up of advances by member governments based on the financial formula used by the Food and Agriculture Organization. The FAO scale is purely an expediency and provides no precedent for the future. Under this scale, the United States will advance approximately 25 per cent of the working capital fund. This advance will be used as a credit to offset future assessments when the final scale is adopted for the UN.

At the next meeting of the Assembly in September, the Secretary-General will submit the regular budget for 1946, and a permanent scale of assessments will be adopted. The assessments levied on member countries to finance the regular 1946 budget will be used to reimburse the working capital fund. A permanent working capital fund will be needed to finance the organization during the initial months of each fiscal year to meet emergency expenses pending receipt of the regular contributions. The

size of the permanent fund will be determined at a later date. A working fund of this sort, though subject to abuse, is essential, since it takes so much longer to secure funds in an international organization than is ordinarily required in national government processes.

The General Assembly appointed a committee on contributions of eleven members to develop the permanent scale for the apportionment of contributions among members. The scale is to be developed on the basis of the capacity of the different countries to pay. Two principal factors determine this capacity: (1) relative national income and (2) comparative income per capita. Other factors to be taken into account are the temporary dislocation of national economies resulting from the war and the ability of members to secure United States dollars.

#### *Administrative and Program Planning*

THE concept of administrative and program planning is well established in the UN. The need for such planning is emphasized in the report of the preparatory commission and in General Assembly resolutions. But more than this, a considerable amount of planning work has been carried on, first in London during the preparatory commission and General Assembly periods, and now in New York at the temporary seat.

When the preparatory commission was agreed upon at San Francisco, it was contemplated that its secretariat would include a number of experts in administrative and budgetary matters who could formulate working papers and preliminary proposals. This was not done, so that the initial formulation of proposals was done by the delegates in committees.

In order to provide adequate technical staff, the executive committee recommended that the executive secretary of the preparatory commission appoint an advisory group of experts on administrative

and budgetary matters. The advisory group with a very small technical staff did excellent work during the preparatory commission period in developing recommendations on many personnel and financial matters referred to it. However, its resources were inadequate to meet the many problems involved in the development of initial work programs, organization plans, and operating procedures and in the preparation of the provisional budget. It was therefore agreed to establish a planning staff in the temporary secretariat. This staff consisted of experienced persons borrowed from various countries. A number of qualified persons attached to national delegations were also used as consultants.

This planning staff, which worked at the start under the general guidance of the advisory group of experts, has continued to carry on administrative planning work since the close of the General Assembly in February. In this way excellent help has been given in the initial establishment of the Secretariat through the preparation of the classification and grading system, the development of personnel procedures, the design of the budgetary and financial system in accordance with the financial regulations, the preparation of initial organizational plans for the several departments and groups of services, the formulation of communications, and other procedures.

One of the principal tasks performed by the planning staff was the preparation of the provisional budget for initial consideration of the advisory group of experts before its submission to the General Assembly.

We thus find here the institutional framework for the bureau of administrative management and budget, which was formally established on March 29. This bureau will be responsible for the detailed work in the formulation and execution of budget program. It will assist the Secretary-General in the presentation of the budget and in

carrying out the program adopted. The bureau will examine critically all proposals for expenditures and keep programs within budgetary limits. The major part of its work, integrally related with budget duties, will be to develop the internal organizational arrangements of the Secretariat and to assist in devising and installing the various administrative methods and processes.

The personnel and comptroller's bureaus will also have certain planning functions in their respective fields which must be integrated at many points with the work of the administrative management and budget bureau. However, the bureau of the comptroller will be primarily the central accounting and operating unit in the financial field. It will assess and collect contributions from member governments. It will be responsible for the safe custody and investment of the funds of the organization and will establish and operate the organization's accounting system and prepare the necessary financial reports. The comptroller will administer the payroll system and various staff funds, such as the retirement fund and the employees' compensation fund.

Running somewhat contrary to the conception of the Secretary-General as a general manager of the UN was the proposal (in the preparatory commission) that the General Assembly elect a supervisory committee on administrative and budgetary questions. The proposed committee, formally recommended to the preparatory commission by the executive committee, was patterned after the supervisory committee of the League of Nations. This League of Nations committee became almost a separate organ of the League and exercised wide and, at times, rather arbitrary authority over the Secretariat. Since the League of Nations contained no administrative and budgetary planning facilities of the type agreed upon for the UN, it was natural that they should look primarily to a body like the supervisory committee to provide this much needed facility.

The United States delegation, however, believed that a supervisory committee which permitted a small group of individuals to exercise direct authority over the Secretary-General was administratively dangerous, as well as inconsistent with the Charter. Our delegation therefore submitted to the preparatory commission an amendment which would make this committee strictly advisory, with its principal function that of helping the administrative and budgetary committee of the General Assembly review the budget and other proposals on which the General Assembly must take action. The United States amendment was adopted, and the committee to be known as the "advisory" committee for administrative and budgetary questions will be made up of nine members to be elected at the September meeting of the General Assembly on the basis of personal qualifications.

#### *The Job Ahead*

THE UN has a solid administrative foundation on which to build. The policies adopted are, on the whole, progressive and workable, and the procedures suited to the job that has to be performed. The personnel and financial procedures are based on the best practices known at present and take into account the peculiar requirements of an international organization. The Secretary-General has sufficient powers to exercise the kind of administrative and moral leadership which is so essential to developing a progressive institution. He has adequate staff facilities at his disposal.

The job is now up to him and his principal assistants. However, the United States and other members must give continuous support to sound and progressive administrative measures and see that the best persons from public and private life are made available to the UN. During the formative years the UN will only be as strong as the support it receives from the member nations.

# The Postmaster General and Departmental Management

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## I

POSTMASTER General Frank C. Walker is likely to be remembered for his crusade against second-class mailing privileges for *Esquire's* Varga girls rather than for the fact that during his term he initiated a reconsideration of the organization of the Post Office Department for the first time in thirty-five years. The last occasion on which a serious attempt was made to assess the organizational needs of the nation's largest business undertaking was in 1907, when a congressional Joint Commission on the Business Method of the Post Office, commonly called the Penrose Commission, was set up. The excellent report of that commission, completed in 1908,<sup>1</sup> unfortunately resulted in no affirmative action on reorganization proposals, and when Walker became Postmaster General in 1940 he found the Post Office still operating along nineteenth-century lines.

The fundamental problem of overhead management in the Post Office is how to reconcile public control and political responsibility with the administrative needs of a huge nonpolitical service organization, within the confines of the regular federal departmental system. The office of Postmaster General was created by congressional act of September 22, 1789, which

<sup>1</sup> *Final Report of the Joint Commission on the Business Method of the Post-Office Department and the Postal Service* (Senate Report No. 701, 60th Cong., 2d sess. [1908]).

provided that this official was to be "subject to the direction of the President of the United States in performing the duties of his office." The Post Office was not given any departmental status by the act. President Washington determined that as a branch of the revenue it should be in the Treasury Department. The emancipation of the Post Office from the Treasury was a gradual process. President Monroe introduced the practice of having the Postmaster General make a report on the conditions and needs of the Post Office directly to the President, and the custom was continued by President John Quincy Adams. The term "Post Office Department" was first employed in the title of an act of March 3, 1825, though it did not officially become an "executive department" until almost fifty years later.

The status of the Postmaster General was also involved in this evolutionary process. He was at first considered to be only an "administrative official," and it was not customary to make a change in the office when a new President came in. But by 1827 the Postmaster General was able to convince Congress that the duties of his department "were at least equal in labor with those of the other Departments of the government," and consequently entitled to compensation at the same rate. At the same time, the Postmaster General suggested that he should be included in the cabinet, since "his functions are as delicate and important

as those of any other officer of the government, and his patronage probably greater."<sup>1</sup> President Adams did not act on the suggestion, but in 1829 President Jackson made his Postmaster General a member of the cabinet, which constituted the final action necessary to recognition of the departmental status of the Post Office.

It thus became established that the Postmaster General was to be a personal political appointee of the President, holding office at the President's pleasure.<sup>2</sup> Not only that, but as the head of the department offering the greatest patronage possibilities, the Postmaster General rapidly became "the Cabinet politician." From William T. Barry and Amos Kendall down to James A. Farley and Robert E. Hannegan, the primary obligation of this office has been almost uniformly the success of the party and the President to whom the appointment was due. Of the nine Postmasters General since 1909, every one has been a member of his party's national committee, and seven of the nine have held the office of chairman.

The nation's largest public enterprise has thus been continuously in the charge of individuals (1) who were politicians, (2) who were politically responsible to the President, (3) whose primary obligation was the success of a political party, (4) who had no previous experience with the enterprise and (5) sometimes no substantial administrative experience of any kind, and (6) who were usually prevented from learning much about the Post Office because of the brevity of their terms of office. During the thirty presidential terms since 1829, there have been forty-three Postmasters General, their period of service averaging 2.7 years. Under these conditions, it is not surprising that many proposals for improving postal ad-

ministration have sought a change in the basis on which Postmasters General are selected.

As a matter of fact, however, only one of the above six characteristics is necessarily incompatible with effective performance of the Postmaster General's job, and that is the connection with the party's national committee and responsibility for the party's electoral success. Operation of a major political party is not a task which can be combined successfully with that of heading the government's largest business establishment; one of the two activities will suffer, and it will not be the party. This marriage of convenience has turned out badly for the public interest and should be terminated. A satisfactory provision to that effect was included in a bill which Senator Norris, long a foe of politics in the Post Office, offered in 1935 for the announced purpose of removing the Post Office Department "in its entirety from the control and domination of partisan, political influences."<sup>3</sup> The language was as follows:

It shall be unlawful for any official of the Post Office Department, including the Postmaster General, to be chairman or a member of any political committee or to have control or management of any political campaign. Any Postmaster General who violates this section shall be removed from office by the President.

Adoption of this provision would in no way interfere with the customary relationship of personal responsibility of a cabinet member to the President, and the Postmaster General would retain complete freedom to speak and advise on political matters. But the President's party could no longer use the post as a base of operations for its national chairman.

The Norris proposal did not stop at this point, however, but went on to give the

<sup>1</sup>Dorothy G. Fowler, *The Cabinet Politician: The Postmasters General, 1829-1909* (Columbia University Press, 1943), p. 1.

<sup>2</sup>An act of 1872 provides that "the term of office of the Postmaster General shall be for and during the term of the President by whom he is appointed, and for one month thereafter, unless sooner removed" (17 Stat. 284).

<sup>3</sup>The Senate bill was S. 1573, and identical House bills were H. R. 5269, 5273, and 5288, 74th Cong. The bills are reprinted in "Operation of Post Office Department upon Merit System," *Hearings before a Subcommittee of House Committee on Post Office and Post Roads* (74th Cong., 1st sess. [May 15, 1935]).

Postmaster General a ten-year instead of a four-year term. Senator Norris admitted that this suggestion was based upon the example of the Comptroller General, with his fifteen-year term, and he hoped that a long term for the Postmaster General would give similar results in the way of independence and freedom from presidential control. The unsoundness of this part of the Norris plan is obvious. In the first place, the provision for a ten-year term could have no legally binding effect on the President, who would be free to remove a Postmaster General at any time. The bill did not limit the President's right of removal in any way, and if it had attempted to do so would undoubtedly be unconstitutional under the doctrine of the Myers decision.<sup>1</sup>

But if a President should feel morally bound to obey the ten-year requirement, then other problems would arise. Senator Norris, who was of course well aware that the Comptroller General is responsible only to Congress, was asked whether a similar long-term appointment for the Postmaster General would not take him out of the cabinet. Norris replied that it would not necessarily have that effect, since the cabinet has no legal basis and "the President can have as his advisors in his Cabinet anybody he sees fit." While this is true, the effect of the Norris plan would be normally to give an incoming President a Postmaster General he had not appointed, and who might not have his confidence. It would prevent the President from removing, until the expiration of the ten-year term (unless he chose to disregard the statutory provision) a Postmaster General whose policies or administration he did not

<sup>1</sup> *Myers v. United States* (272 U.S. 52 [1926]). The Postmaster General cannot conceivably be considered to fall in the same category as a member of the Federal Trade Commission, so the decision in *Humphrey's Executor v. United States* (295 U.S. 602 [1935]) is not applicable. The Comptroller General is protected from executive removal by the provision that he may be removed "by joint resolution of Congress . . . and in no other manner except by impeachment" (42 Stat. 24).

approve, thus precluding the President from implementing his responsibility for the largest single federal peacetime unit.

The objections to the ten-year term are thus conclusive, unless it is contended that the Post Office is such a special case that the normal situation of presidential responsibility does not apply to it. James Hart has examined the argument that might be made on this score. He points out that the heads of most federal departments have been invested by Congress with policy-making powers and also exercise some of the constitutional powers of the President in his name. Consequently, these department heads must be *politically* responsible—and that means removable at the pleasure of the President. In such a department there must always be a political head above the career officials. But, Hart asks, what would be the case in a department which is not exercising any of the President's powers, and where the statutes determine policy in such a definitive way that departmental discretion is confined to administrative ways and means? He suggests that the Post Office Department would come closest to fitting this description, and that under such circumstances "one may take the position that there should be no political head." But, as he goes on to say:

Difficulty at once arises from the question how to apply career principles to an officer whose appointment would probably have to be made by the President, by and with the advice and consent of the Senate. Could this difficulty be circumvented, as it has to some extent been circumvented in the case of career diplomats? Even so, it would seem that the career head of such a department should be *administratively* responsible to the President. The President's constitutional position probably gives him the irreducible power to remove such a career head for cause and after a public hearing. From the assumption that in such a case political responsibility can be altogether eliminated it does not follow that any officer should be given a position in which he has neither political nor administrative responsibility.<sup>2</sup>

<sup>2</sup> *An Introduction to Administrative Law* (F. S. Crofts & Co., 1940), p. 74.

There are marked difficulties, then, in the way of any proposal to turn the Postmaster General's office into a permanent career post. The more promising plan of reorganization which Postmaster General Walker proposed at the time of his resignation in 1945 would continue the Postmaster General as a transitory official, politically responsible to the President and Congress for the conduct of the postal system, but with his administrative duties delegated to a career officer acting as the permanent undersecretary or administrative head of the department. Admittedly there is nothing novel in this suggestion; the combination of a changing political secretary and a permanent administrative head is the formula for departmental administration in England and many other countries. The substance of Walker's proposal was in fact first put forth as the solution for postal organization as early as 1908 by the Penrose Commission. To understand why this plan was then proposed, and why it is now such an imperative need, it is necessary to examine briefly the development of arrangements for overhead departmental management in the Post Office.

## II

THE records of the Post Office Department show that there was an assistant postmaster general as early as 1782. This post was continued under the act of 1789, a second assistant was authorized in 1810, and a third assistant was provided by statute in 1836. These assistants were at first named by the Postmaster General, but an act of March 3, 1853, vested the appointing power in the President, with senatorial confirmation. The tendency in Post Office organization was to group the operations of the department under these three assistant postmasters general. As postal responsibilities increased after the Civil War, it became increasingly difficult to place all postal functions under their jurisdiction, and several activities were performed by

units not responsible to any of the three assistants. To permit the remedying of this situation, the office of the fourth assistant was created by statute in 1891. A reorganization undertaken by Postmaster General Wanamaker at that time sought to group the divisions of the department as logically as possible under the four assistants and to leave little outside their scope.

Thus the internal control and management of the Post Office have focused in the offices of the four assistant postmasters general. The adoption of the system of presidential appointment and senatorial confirmation in 1853 resulted in the filling of these posts on the same political basis that prevailed in the case of the Postmaster General himself. The background of appointees has been primarily political, and their terms in office have been relatively brief. The twenty-five men who held the office of first assistant from 1861 to 1934 served an average of thirty-one months each. Only four of the incumbents of this position rose to it from the ranks of the department. Of the other twenty, for whom data are available, eleven were lawyers, five journalists, two businessmen, one a teacher, and one a doctor. The average tenure in the position of second assistant during the same period was just under four years. The eight appointees to the post of fourth assistant from 1891 to 1934 were all political selections, though one had been a postal inspector and another a postmaster.<sup>1</sup>

Under these conditions, the four as-

<sup>1</sup> Arthur W. Macmahon and John D. Millett, *Federal Administrators* (Columbia University Press, 1939), pp. 256, 263, 268. Postmaster General Walker reported in 1944: "It is of interest to note that during the past 25 years there have been 7 First Assistant Postmasters General, 7 Second Assistant Postmasters General, 6 Third Assistant Postmasters General, and 5 Fourth Assistant Postmasters General. No one, regardless of competency, unless he has been a career man of long postal service, can hope to become sufficiently familiar with the functions of such offices to perform them from the beginning. If after a time a new officer has developed a long-range program for meeting his many technical problems, he may not then have opportunity to make it truly effective" (*Annual Report of the Postmaster General*, 1944, p. 56).

sistants have themselves needed assistance in managing the work of their bureaus, and deputies drawn from the career service of the department have been provided for them. These deputies have been generally credited with "running the department." But though the deputy assistant postmasters general are career men in the sense that they are in the competitive classified service, they have been customarily drawn up to these positions with each change of party and have dropped back into the ranks on the next electoral overturn. There was one deputy to each assistant until 1943, at which time additional deputies were provided for both the first and third assistants.

Each of the four assistants heads a "bureau" consisting of a number of divisions. The bureau of the first assistant is concerned with the major task of conduct and management of post offices and post-office service, involving control of personnel and collection and delivery of the mails, and so directly concerned with most major operating policies of the department. The second assistant is responsible for matters bearing on transportation of the mails. The third assistant supervises the financial operations of the department and the special services, such as money order, postal savings, registered, insured, and c.o.d. systems. The fourth assistant is responsible for the physical property and equipment of the Post Office.<sup>1</sup>

Such a departmental structure obviously creates grave organizational problems. The four assistants, working largely through their deputies, are the directing heads of the principal areas of postal activity, an arrangement demanding the creation of management machinery at the departmental

<sup>1</sup> In addition to the four principal bureaus of the department, there are two smaller units more recently given bureau status—the bureau of the chief inspector, responsible for the postal inspection service, and the bureau of accounts, headed by the comptroller of the Post Office Department. This latter office, set up in 1921, was for over fifteen years of slight importance, and has only recently been charged with significant responsibilities. Three other principal postal officials, who have the status of heads of "offices," are the solicitor, purchasing agent, and chief clerk.

mental level for purposes of coordination and control. But during the greater part of its history the Post Office has lacked any such facilities of an institutional sort. In their absence the divisive tendencies which might have wrecked the organization have been held in check largely by the conservativeness of Post Office instincts, and coordination has been supplied by the "sheer coherence of routine."<sup>2</sup>

In addition, as Macmahon and Millett go on to point out, "from time to time the headlessness invited in the Post Office by its statutory structure and by the external preoccupations of Postmasters General has been offset by the appearance of an individual who, under one title or another, has exercised something like general managerial influence." One such "focal factotum" was Joseph Stewart, who after a rather long period of service in the Post Office in several capacities, including that of second assistant, was appointed in 1915 as a special assistant to the Attorney General assigned to the Post Office Department. In this role he made himself indispensable to successive Postmasters General in connection with much of the routine administration of the department. From 1929 to 1933 an administrative assistant to Postmaster General Brown had over-all supervision of administrative matters in contrast to the political affairs demanding the personal attention of the Postmaster General.

Postmaster General Farley did not continue these attempts to secure some central administrative supervision, but they were resumed by his successor, Frank C. Walker. The office of legal aide to the Postmaster General was created for this purpose in 1941—a step which led to subsequent important institutional arrangements. The coming of war made greater unity of policy and more effective coordination of the work of the several bureaus and offices a matter of paramount importance; consequently, at the close of 1941 a wartime board was set

<sup>2</sup> Macmahon and Millett, *op. cit.*, p. 36.

up consisting of one official from each of the major units of the department. This board, headed by the Postmaster General's legal aide, met in daily session, giving continued and coordinated consideration to the important factors in over-all postal operations. The successful nature of this experiment led, six months later, to transforming the "wartime" board into a permanent operations board, and to the simultaneous creation of an office of budget and administrative planning, charged with handling the budgeting, administrative, and management planning responsibilities of the Postmaster General. All orders of the Postmaster General, instructions of the assistants, amendments to the postal regulations, letters of the Postmaster General affecting postal policy, and suggestions for the revision of financial and other forms were subject to review in this office. The purpose of the operations board was to make more readily available to the office of budget and administrative planning the knowledge and experience of the key personnel of the department and at the same time to facilitate the interchange of ideas and the handling of problems relating to the major departmental units and the general business of the postal establishment.

A further step in the implementation of the Postmaster General's office was the establishment of a central personnel unit for the department. The principal responsibilities in the personnel field had customarily fallen in the jurisdiction of the first assistant, but the work done under these auspices was of a quite routine and unprogressive character. There was no thought given to developing training programs for postal employees, to working out standards to be applied in promotions to supervisory positions, or to studying the causes of low morale characteristic of so many postal staffs. Personnel management responsibility was thus thrown in large part directly on the thousands of postmasters without much in the way of assistance or suggestion from Washington. The Post

Office did not take steps to establish a central personnel office until the executive order of June 24, 1938, made such an office compulsory, and then the work was organized in the office of the chief clerk. The development of the unit was fatally handicapped, however, by the failure of Congress to appropriate funds for its operation, and also by the hostility of the assistant postmasters general and other ranking officials, who did not relish relinquishing any authority over personnel in their bureaus.

In spite of this failure to develop a departmental personnel office, the machinery set up at the departmental level in the Post Office within the past few years has enabled the office of Postmaster General to function at least in some degree as a center of managerial control and coordination for the department. There is every reason to suppose that these arrangements, having become institutionalized, will be preserved by succeeding Postmasters General, who will thus inherit an office which is a going concern equipped with managerial arms ready for their use.<sup>1</sup> But there is a potential danger in this development under present conditions. A Postmaster General under the new dispensation is expected to act as both the political and the administrative head of the department. Given the present system of filling the office, a Postmaster General may prove incapable of carrying out the responsibility of manipulating the management machinery of his office. Under the old system, where nothing much in the way of management was expected from the departmental level and the various units were largely separate compartments, it made little difference if the Postmaster General was a poor manager. But if the assumption and the practice of departmental administrative controls continue, then a Postmaster

<sup>1</sup> On January 22, 1946, Postmaster General Hannegan discontinued the operations board, but replaced it by the Postmaster General's staff, which functions with the first assistant postmaster general as chairman and includes the other three assistants, the chief inspector, the chief clerk, and the executive assistant to the Postmaster General. The functions of the operations board were absorbed by the new staff.

General who fails to measure up to these administrative responsibilities can disrupt the entire organization.

It is for this reason that the Post Office now particularly needs a permanent administrative head, a "director of postal service," to use the term Walker employed in recommending the creation of this office in his last annual report. The director "should have long tenure of office, but be subject to established retirement rules and to removal for cause."<sup>1</sup> Walker's statement does not indicate how the appointment should be made, but presumably the Postmaster General would appoint the director on the basis of recommendations made by the Civil Service Commission. As the permanent administrative head of the Post Office, the director of postal service would give the establishment stable, continuous, and expert direction under changing Postmasters General in a fashion now largely lacking.

Under this plan the Postmaster General would, as Walker said, be enabled "to devote himself to fundamental public and departmental policy and the more important matters requiring executive action." His role would include representing the department before Congress and the public, originating or transmitting to the Post Office the postal policies of the administration to the extent that they are not fixed by Congress, and in general supplying the all-important element of lay control of the experts and the career civil servants that democratic government demands. To assist him in performing his political function, the Postmaster General should have the right to bring into office with him such personal assistants as he needs, but they would constitute no part of the regular administrative staff.

The Walker plan proposes that the four

<sup>1</sup> *Annual Report of the Postmaster General, 1944*, p. 56.

present assistant postmasters general become assistant directors in charge of the same functions which they now supervise, though relieved of much detail which can be better handled in the field. They would likewise be permanent career officials, subject to removal for cause. The Walker reorganization plan goes on to suggest the need for continuing the operations board (now the Postmaster General's staff) "for reviewing and coordinating the work of the several Departments and Bureaus to insure consistency in instructions to the field forces and an orderly over-all conduct of postal operations"; for a postal service advisory council; and for decentralizing much of the present central supervision to regional offices under the charge of regional managers. These proposals round out an admirable program for Post Office reorganization, the effectuation of which deserves speedy consideration, either under the Reorganization Act of 1945 or by direct congressional action.

It should be stressed that support for this plan of overhead organization for the Post Office is based upon the special nature of the department as a business establishment. There is no implication that a similar single nonpolitical undersecretary should be authorized for other federal departments, where the area for discretionary formulation of policy is normally so much greater and where the interrelationships of policy-making and administration are so much more complicated and diverse. The Post Office stands alone among the regular federal departments as a huge service organization with agreed-upon tasks, operating within rather strict limits laid down by statute. Under these circumstances, the combination of the political Postmaster General and an administrative general manager is the appropriate and necessary solution to the problem of Post Office organization and control.

# The Failure of AMG in Italy

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THE fall of the Parri government in Rome in the autumn of 1945 and the spectacular rise of Giannini's Common Man Party were the culmination of a pattern of administrative errors which began with the Allied Military Government in Sicily and continued through the occupation of North Italy. The resignation of a democratic and representative government and the resurgence of fascism, under a new name, were as much due to Allied administrative chaos and confusion as to Italian political inexperience, governmental ineptitude, and economic ruin.

The Allies, with the United States as senior partner in popular esteem, have chosen to enter occupied areas with a philosophy of lofty intentions couched in benign and democratic phraseology. They have had, however, no clear-cut program or administrative techniques designed to fulfill these ends. They have governed, even at the highest levels, with inexperienced men of limited political and administrative vision. By continuing, on the world scene, to act upon the American fiction that industrious individuals with good intentions, regardless of circumscribed professional training, education, or point of view, can be competent at high levels of governmental policy-making or in specialized and difficult fields of operation, we have created confusion and uncertainty. American prestige, once a symbol of hope, has dwindled, although the peoples of Europe and Asia still cling to the dream of disinterested good which our power evokes.

AMG has failed in Italy because it has proved impossible, with the governing

techniques we adopted, to effect the intentions we announced. AMG was crippled from within, at the start, by the very structure and philosophy of its administrative existence. This led to a cumbersome military chain of command ill suited to the management of civil affairs; to the subjection of AMG to the declaration of policy and judgments by the military mind of the regular Army; and to a limited concept of AMG responsibility which affected the scope of the original plans made in Washington and hampered effective action in the field. In addition, the personnel of AMG was deficient in numbers, training, and political understanding. From without, the role of AMG was handicapped because its constructive accomplishments were blurred by incomplete and often erroneous reporting of the Italian scene by American journalists. AMG was also hampered in achieving the announced intentions of the Allied governments by the passive, and perhaps unavoidably negative, role of the State Department.

## *The Basic Administrative Weakness*

THE planners of the philosophy and administrative structure of AMG, studying the past, found the dead American experience of the Civil War and the occupation of the Rhineland during World War I a welcome and convenient pattern by which to formulate policy. The basic concept, repeated in Army manuals and in Army classes, assumed that the chief function of AMG would lie in the task of securing the rear lines of communication of the Army, of maintaining order in those areas through

which the Army had passed. From this idea flowed the corollary that military governors should be part of the Army. It was realized, of course, that the problems of modern occupation would be more complex and vast than those encountered previously in our limited experience and that for this reason AMG should probably not be wholly subjected to the Army. However, this was an exceedingly difficult idea to sell to the Army. The resulting administrative framework had the misshapen form of compromise. Modern verbal plywood was superimposed upon the old timbers of Army notions about occupation. A separate civil affairs division was created in the War Department and another G added to Army administration, G5. This lent to the function a semblance of independence which was deceptive; actually, AMG and its officers remained subordinate to the Army in all important matters of policy. Even the paper separation, however, made AMG suspicious and strange to the minds of regular Army officers. It seemed to be part of the Army, yet it was never accepted as such.

The confusion stemmed from the outmoded philosophy of military government inherited from the past. Whether this philosophy has validity in modern warfare, whether it is possible to administer at all on such a narrow scale, and whether the concept is consistent with American foreign policy, democratic aims, or humane intentions were questions left to be answered by the process of trial and error. Actually, the chief concern of AMG never remained for very long the narrow preoccupation with the Army's rear lines of communication; the day-to-day problems of governing made this impossible. Yet the chain of command and the whole administrative structure were built upon the older notion.

Because there was no imaginative projection of specific problems into the administrative machinery created on paper, delays were inevitable. AMG in Sicily had

to await the approval of Allied Force Headquarters, then located in Algiers, for basic policy and decisions in the operation of important phases of the social, economic, and political life of Italy. For example, we proclaimed, almost upon landing, that labor was free. But directives on the formation of labor unions and provincial labor offices were still not approved weeks after submission. Finally, the provincial officer of Palermo issued a directive of his own without awaiting headquarters approval. At a later period, when AFHQ was located at Caserta, a regional commissioner wanting a change or interpretation of decrees concerning the control of movement of persons and vehicles had to write first to Rome, where the Allied Commission was seated. (AC served both as headquarters for all AMG regions and as advisers to the Italian government for those areas already turned back to the Italians.) AC, in turn, where fundamental issues were involved, had to write to G5 of AFHQ, the military government section of headquarters at Caserta. G5 then had to ascertain the views of the appropriate agencies scattered among the various G's of Army administration. Often AFHQ had to communicate with the Joint Chiefs of Staff in Washington before a decision could be made.

When AMG in the Rome region had organized transport and the collection of grain to a sufficient extent to feel that it could recommend an increase of the bread ration from 150 to 200 grams a day, Lt. General Noel Mason MacFarlane, the most gifted and able chief commissioner ever to head AC, asked Caserta for approval. The decision was delayed, possibly even discussed for weeks. In desperation, because he realized the plight of the common people in Rome, who could not buy their main staple at fantastic black market prices, General MacFarlane authorized the increase of the ration on his own authority. On his own authority, too, when Rome was taken, he accepted the political judgment of the

Italian leaders of the Committee of Liberation in regard to Badoglio and the King.

Under Army control such independence of action was the exception rather than the rule and was not countenanced. The delays under which AMG had to function forced the Italians themselves, in the absence of procedures which were promised but never announced, to act outside the academic rulings we imposed. The prestige of the Army never suffered, for few Italians or Allied personnel knew where the difficulties of administration lay. But American policy and our personnel in the field, who took the direct hits of public opinion, were made to seem feeble and incompetent. Intelligent Italian officials and citizens questioned repeatedly, although politely, the widespread myth of our efficiency.

This situation, of course, reflects a problem which assails us in all fields of public administration—the extent to which local and regional offices should be empowered to make rapid and independent decisions, even at the cost of over-all consistency. In Italy, where AMG had to work under emergency conditions, the disastrous results of administrative delays became obvious much sooner than comparable lags in the United States under normal circumstances.

The whole experience has proved what some realized from the start: that the administrators of AMG should never have been part of the Army. Wars are no longer, and probably never were, purely military, even from the start of hostilities or the first second of occupation. The problems which spring at the AMG officer, from the moment he wades up onto the beachhead or enters a village, are those of life itself, intensified by the thrusts of war, in all its civilian magnitude and diversity. Administratively, the personnel of civil affairs should have been, from the beginning, civilians, responsible to a civilian theater commander. Only one way has been found historically to combat the intricacy and

slowness of Army methods and procedures. Civilians with great authority must counterbalance the military. Civilians head the War and Navy Departments in Washington and the War Ministry in London. In each theater of war, because modern war on both the home and the battle fronts is a vast labyrinth of economic, social, and political forces, the supreme commander should be a civilian of great capacity and experience. The civilian theater commander should, of course, be surrounded by eminent military figures to help him to decide purely military matters, with appeal always to the Joint Chiefs of Staff. On civilian matters, he should have available the best administrative and scientific talent. In the event of a dispute on civilian matters between the civilian theater commander and his military advisers, there would also be the right of appeal to Washington. This method of dealing with civil affairs in occupied countries would not only tend to simplify the chain of command but would also insure faster decisions by people familiar with the problems under discussion.

Such a fundamental reform in the structure of our military machine no doubt requires discussion and thought. But that the reform is needed is indisputable. Even now, civilian experts should replace military commands in Germany and Japan. This change was actually called for in Germany by General Eisenhower as early as the summer of 1945 and has been intimated for Japan. The shift has not yet taken place. In February, 1946, Secretary of State Byrnes announced that at the moment his department was unable to assume the task in Germany of supplying civilian specialists. In other words, the principle is recognized as sound; we happen not to be prepared to act upon sound conclusions. That is an administrative failing.

Civilian administrators for Germany and Japan, when they are selected, should be responsible, no matter by what governmental agencies they are hired or borrowed,

to a single federal authority, presumably the State Department. The single federal authority would have the duty of coordinating and enunciating clear-cut policy. If we are to occupy the role expected of us in world affairs, we cannot lightly assume this immediate burden in occupied countries. The responsibility for recruiting of personnel must be placed, as in wartime, in the hands of the government, working through the various learned societies of specialists and scientists. The alchemy of change from autocracy to democracy cannot be entrusted to GI's aching for home, to regular Army officers without real interest in the social and political transformation they are witnessing, or to civilians who will accept foreign assignments because they offer better salaries than they could hope to achieve at home. Only our most able experts can solve the most fundamental problem in the world today: the building of democracy and peace. Perhaps professional groups will once again, as in wartime, have to exert great pressure to emphasize the gravity of the situation and the immediate need for trained administrators and specialists.

#### *Army Attitudes and Practices*

THE transfer of the control of occupied countries to civilian administrators would not correct the situation completely. Even if the administration of occupied countries were freed from the Army, our civilian administrators would meet military habits of thought and action every day in the course of doing their job. There are hundreds of points at which the work of the one group, however independent, would converge upon that of the other. There are scores of instances in which co-operation would be necessary. For example, in all city areas a base section of the Army must be established to meet the needs of military personnel and operations. Inevitably, the Army must deal with civilians and rub against civilian problems. For

these reasons, reform in the education of Army officers and enlisted men is indicated. With a fuller understanding of the background of civilian problems, many of the unfortunate events which have damaged our prestige in occupied countries could have been avoided.

A few examples of such incidents in Italy underline this point. In Naples, a resident Army general, stationed with the base section, had in his office a notorious fascist employee who served also as his constant social companion. Italian trade unions and civic leaders called the attention of AMG to this strange relationship. AMG collected the facts and presented them to the general. His own staff collected facts. These were again presented to him at a joint meeting of his staff and AMG. At the end, he said, in the face of overwhelming evidence: "Well, there's no doubt he is a scoundrel, but he's my scoundrel, and he's going to stay." (His language was actually more expressive.) The employee's continued presence in the general's office created unnecessary political embarrassment in a trying situation. Again, in Rome, the day following the occupation of the city, an Italian hostess of the aristocracy, who had also entertained the Germans, invited American and British officers to lunch. Without thinking about the identity of the woman or the ideas she represented, they accepted. They were all considerably embarrassed when, in the middle of the luncheon, the Counter Intelligence Corps arrested some of her Italian guests who had been high-ranking Fascists or Nazi collaborators. One of them was the chief propagandist of the fascist Rome radio. His good-looking and titled American wife was also present and must have charmed the Allied officers. That was her business. The incident shocked anti-fascists; we were held up to ridicule, and rightly.

The independence of civil affairs administrators cannot solve problems like these. To meet such situations, Army education

needs to be reformed at the level of West Point and the service schools for officers. They should be educated to appreciate not only the complexity of world problems but also the principles of democracy in action. A broader education, aimed at comprehension rather than obedience, focused toward varied knowledge rather than thinking by manual and precedents, would aid the Army in serving the greatest democracy in the world. Intensive training in American history, portraying the great contributions of all racial and national groups to our civilization, world history and literature, economics, political science, and public administration (not merely Army administration) should take high places in the curriculum, along with the necessary technical and specialized training Army men must have. Our young officers should be prepared to understand a changing world moving to the left. Wherever they are, whether at Army posts at home, in Washington, at the embassies abroad, they should be men of understanding, since they represent the United States in the minds of millions. Important, too, is the fact that enlisted men, by and large, represent and reflect the habits of thought of their officers. Education at the GI level in the Army failed because few officers had the time or interest to effect the plans and courses outlined in innumerable bulletins.

In the specific field of supplies, civilian administrators would be dependent upon the Army, especially in the early months of occupation. Here again, the improvement of Army understanding and point of view would help to resolve difficulties like these which arose in Italy and elsewhere. The inefficiency and dishonesty of a small percentage of crucially placed officers and enlisted men affected the fulfillment of promises given to the Italian people by President Roosevelt and Prime Minister Churchill, and adequate supplies to the Army itself were jeopardized. The present Army method of dealing with inefficiency

and corruption left AMG with little remedy. The Army tends to protect officers whenever violations are not so flagrant that they become public scandal. This situation will continue as long as the office of the inspector general of the Army is military. Despite the theory of independence of investigation, it is common knowledge in the Army that a general of an outfit under investigation can influence a lower-ranking officer of the inspector general's office. The office of the inspector general should be civilianized and placed under Congress, like the independent office of the comptroller general. There will be outcries against this untraditional solution to the problem of inefficiency and corruption; cases will be cited where the old system worked. But any apologist will find it difficult to explain the corruption at the port of Naples—at one time the greatest port, in volume, in the world; to explain the vast sums of money sent home by officers and enlisted men, sums exceeding many times their annual pay (in Italy, early in 1946, a pay control system was instituted—a step which admitted that existing conditions needed correction); to explain the huge quantities of American food on the black markets of every country in Europe. It seems clear that only an independent civilian agency can solve the problem.

#### *Bungled Administration in Important Fields*

THE limited concept of occupation responsibilities and duties with which the Washington planners of AMG evolved their organizational charts and directives led to chaos at AC headquarters and in the regions. This is a strong indictment, but no impartial investigator could fail to render it. The importance of four basic fields of operation were not foreseen in Washington with enough clarity to stress their predominance in the administrative scene. After fumbling in Sicily and Naples their position was modified, but it was too late.

**Labor.** Labor was left out entirely in the original Washington plans and was included only at the insistence of an officer who had had considerable administrative experience in public life and understood the importance of a vital labor movement in a democratic society. The entire labor staff in the early days of Sicily consisted of one officer. Labor officers numbered fewer than ten for all of Italy in the summer of 1945. Few had had actual labor experience. The head of the subcommission on labor was for a long period an officer who, in civilian life, had administered unemployment relief for the Labour Ministry. He was naturally helpless in strike negotiations because he had never participated in them before. His successor was an American with an anti-labor bias and no knowledge of the fundamentals of the trade. He had to be eased out of responsibility. Another officer had taught English. Another had been a professor of sociology. He appointed to direct regional and provincial labor offices in the most highly industrialized and the most politically conscious area of Italy men with such distinguished fascist records that the regional headquarters was forced to dismiss them as soon as their history was discovered through the protests of indignant Italian labor leaders of all political persuasions. With this kind of Allied staff, the labor movement of Italy, one of the key blocks of the new and promised freedom, was to have been redemocratized. It is a great tribute to Italian character and political democracy that their labor organizations are as alive and democratic as they are. They were not helped much by us because we never foresaw an obvious and fundamental field of occupational activity.

**Food and Transportation.** Food and transportation were administrative step-children in Sicily; a handful of officers, with no specific experience in these fields, directed the work. Even after the mainland was reached and the problem became the central difficulty of our administration,

these two subcommissions remained understaffed, and with inexperienced officers. If transport had been planned and organized well by men with actual trucking, railroad, and shipping experience in the United States and Great Britain, the black market in foodstuffs would have been considerably curtailed, and the black market in transport could have been almost completely eliminated. The organization of coastal schooner transport, supervised by Allied officers, under an Italian agency, Cogena, became an open scandal. This schooner service was essential, with trucks and trains at a premium, in bringing the agricultural and mining products of Sicily and Sardinia to the mainland and furnishing manufactured goods to the islands. Despite the documented evidence provided to AC headquarters, suggesting Allied and Italian corruption, no action was taken for over a year. Finally, Italian administrators were dismissed and Allied officers put under investigation. In the long months of their reign, however, wine came to the mainland, but not the Sicilian salt desperately needed by city dwellers and the farmers.

The food subcommission confused administration with the issuance of rules, regulations, and restrictions which created even greater shortages in a country where neither the Allies nor the Italians, with a small and demoralized police force, could begin to enforce regulations. The British members of the subcommission should have realized that they were not dealing with a disciplined people like the British who understood the issues of the war and their share in accepting necessary sacrifices. The Americans merely continued abroad an administrative pastime they had learned in the United States—the salving of conscience and easing of responsibility by the publication of unenforceable rules without thought to the daily problems of control.

Imagine that the United States is an occupied country and that well-meaning conquerors have established a liberal rule.

At the same time they publish an order saying that the industrial east is to be divided into two parts at the Mason and Dixon line. North of that line the prices that prevailed on April 3, 1945, are to be in force. South of that line current, inflated prices are to exist. Furthermore, no free commerce between the industrial north and the agricultural south is to be allowed until rules of trade are established, leaving the field open to contraband operations. For months no rules are announced. Suppose that our friendly conquerors had allowed us to form a government of our own. How long could that government exist, subject to the economic nonsense just described?

That is precisely what the Allies did to the Parri government in Italy. When the north was liberated by the Italian patriots, the economic section of AC drew an arbitrary line across the upper peninsula, dividing the north from the south. Price and trade restrictions were established. Unfortunately, neither the Italians nor AC price experts of the Foreign Economic Administration knew what April 3 prices were nor how they could be determined. For months they dallied with this problem and, after strikes and wage increases, agreed to raise prices. But to determine the new price level, they devised an administrative procedure so cumbersome that it could never work in Italy, and it has not worked. On the books there was price control; actually, there was none throughout the length and breadth of Italy.

Also, across the dividing line, no free commerce of articles from the industrial north was to occur. Apparently no officer at AC was concerned about the possibility of enforcing this regulation. Yet, even if carabinieri had been available to stack four abreast across this economic *cordon sanitaire*, prevention of the flow of goods could hardly have been enforced. And of course they were not available; after the corruption of fascism, years of war, and the erosion of Allied occupation, the Italian police

system is severely crippled. Naturally, the black market flourished. Yet this action of AC was described in the *New York Times* in terms of a battle which saved the economy of Italy, and its author was praised for his economic and administrative wisdom. No Allied local administrator who had to attempt to enforce this unenforceable regulation was in agreement. The Italians not only disagreed but subjected the idea and our inefficiency in enforcing our own laws to the jibes of the music hall.

When a respectable manufacturer or merchant came to AMG headquarters in Milan asking for permission to transport goods to the needy south, and this permission was refused because AC had forbidden such commerce but had not as yet devised legal trade relations, the Allies not only looked foolish but inefficient and curiously like fascist bureaucrats in Italian eyes. These Italians knew and named dishonest merchants and manufacturers who were transporting products every day without permission and with impunity. AMG was aware of this situation and knew, too, that it could not enforce the AC ukase. Protests, after months, resulted in an unworkable and elaborate set of industrial and price committees which served only to shackle the economy of Italy still further. And the black market continued to operate profitably.

Internal trade in Italy was controlled. International trade was also subject to the approval of Allied officials. After months of negotiations between Swiss and Italian trade experts, an agreement was reached which would have provided Italy with 90,000,000 Swiss francs of credit and Switzerland with essential and needed products which Italy could spare. Despite the public declaration by AC that Italy was free to negotiate such treaties, this vital agreement was vetoed by the economic section. At long last, in February, 1946, AC once again declared that the Italian government was free to make trade agreements.

In September, 1773, Benjamin Franklin published in London a pamphlet called *Rules by Which a Great Empire May Be Reduced to a Small One*. He cited two rules which always work: (1) perplex commerce with infinite regulations; (2) don't treat colonies in any way except as though they were about to revolt. In Italy, the Allies have followed Franklin's ironic advice implicitly. If we intended to render Italy impotent, we should have said so simply and directly. If we want Italy, which lies athwart Europe, to be democratic, we had best make possible stable, democratic, and anti-Fascist government. The L'Uomo Qualunque movement which caters to the dissident of all classes is not merely the creation of Giannini and the conservative interests behind him; it is also our own negative creation.

*Education.* In the administration of conquered Italy, education was never recognized as the vital and revolutionary force it is. Carleton W. Washburne, the present head of the education subcommission of AC, describes the main task of his agency in the October, 1945, issue of the *Educational Record*: "Fundamentally, the job was to prevent unrest and to control the population so that the combat army would not be bothered by disturbances in the rear and so that 'the kids would be kept off the streets.' As a corollary, fascism was to be eliminated, since the Fascists were our enemies. There was no military program for re-education of youth (or adults), nor was it proposed that anything be substituted for the eliminated fascist elements of the program." Gradually, and inevitably, more constructive activities crept into the work, and some long-range programs have begun to be developed. But these activities and programs, which would seem to democratic Americans to be one of the most fundamental parts of our mission in Italy, have crept in almost as though they were afterthoughts.

The education subcommission from the beginning had few officers. In a 99 per cent

Catholic country, some of the officers were openly anti-Catholic. This attitude resulted in protests from the Vatican and created problems which should never have existed. In Sicily, one officer actually placed on the Italian advisory committee an Italian who was not only an anti-Catholic but also an avowed atheist. Because of the negative approach to education, the job of eliminating fascism from the schoolbooks was tackled by cutting offending pages and, later, by printing new books without the fascist references. Nothing positive and constructive was substituted. The reeducation of teachers, trained for twenty years under fascism, could not be assumed because of the lack of officers. Yet this was the real job. The offending pages might have remained in the books and reeducated teachers might have been able to point out the fallacies, in the light of historical events, of the doctrines taught. This policy was adopted in relation to slogans of Mussolini painted on the sides of buildings all through Italy. We announced that these slogans could remain. Nothing was more ironical or educational than the slogan *Win Win Win* on the one remaining wall of a completely destroyed village. If the reeducation of Italy along democratic principles is delayed for years, we must accept full responsibility.

#### Personnel

THE personnel of AMG were selected on the basis of criteria which were faulty. As a result, just as the administrative structure and recognition of key problems suffered from the limitations of the master concept, so personnel were chosen who proved inadequate for the job as it developed in the field.

The first two classes of the Military Government School at Charlottesville contained a number of elderly senior officers of the Army, which, understandably enough, seems to have assumed that AMG was a God-provided spot for respectable officers who had served their country faithfully.

fully but who had outlived their day. They could now retire to an active and dignified position not unlike that of elderly British officers in India or the Sudan.

Full responsibility for accepting and keeping these individuals must be laid at the office doors of the directors of the school and the War Department. No one who has not served with AMG in the field can possibly appreciate the inability of these gentlemen to earn their keep. AMG was always understaffed for the wide scope of the work to be done and the responsibilities assumed. These high-ranking officers occupied top places on the table of organization which should have gone to talented and efficient public administrators. Their rank necessitated assignment to positions of high responsibility. Their political inexperience and conservatism were fatal to the vigorous administration of American policy abroad.

Many AMG specialist officers were of high caliber. However, the selection of personnel was faulty in failing to provide top policy-making administrators with experience. While officers with training in social welfare, public health, or education could be used in these limited fields both at headquarters and in the regions, it was difficult to find able regional and provincial commissioners and administrative heads of subcommissions and sections at AC headquarters. Here, too, the fault lay in assuming that high-ranking Army personnel could do this job. Much of the blundering of the AC, its inability to make quick decisions, and the administrative chaos at headquarters, including the failure to find even important correspondence, can be ascribed to the failure to provide for the job of policy-making and directing administrators. The AC had a real chief commissioner only once, Lt. General MacFarlane. Its important subcommissions were headed for the most part by persons with little administrative ability or experience; often the subcommissions went for months with acting heads who were equally unqualified.

The conglomeration of diverse and dubious talent which comprised the staff of AMG and AC lacked, with few exceptions, insight into the moral issues of the war and our role in Italy. This curious lack can be illustrated by an incident in Naples, where a prefect had to be chosen. AC had ruled, contrary to the practice in Sicily, that it had to approve all prefects before final appointment by the regional commissioner could be made. After a long search for the right man of anti-Fascist history and unquestioned ability, a distinguished jurist was discovered in the mountains of a far-off province. He was a brilliant lawyer, had served with a small and respected group in the resistance movement in Naples, and had edited the chief underground newspaper. His anti-Fascist record was clear. When his name and curriculum vitae were presented to one of the top three at AC headquarters for clearance, that regular Army officer scanned the record and said: "It would be a curious thing to appoint a man to a governmental post who has spent his life in fighting his government." The fact that George Washington could have been accused of this disloyalty apparently never entered his mind, possibly because American history or any history was beyond his interest. That same officer regularly associated with those elements of Roman society whose political affiliations during fascism were subject to considerable discussion in anti-Fascist circles.

Most of the regular Army officers in AMG, and those from civilian life who enjoyed greater incomes, comforts, and power in the Army, never wanted AMG or AC to cease functioning. Both knowingly and unconsciously they sought always to continue the life of military government. Requisitioned villas, cars, and companionship would end with the end of AC. Most of them would have to return to army post life, military attaché assignments, or second-rate civilian jobs. They saw the bogeys of communist rebellions, disorders, and the

inability of the Italians to rule themselves more clearly than those in the field working with the people. The effect was disaster. Although promises had been made to Parri that the industrial north would be returned to the Italian people in October, although AMG officers in Milan had recommended, on the basis of knowledge, transfer in September, that transfer did not occur until December 31, 1945. This delay could only serve to weaken the Parri government in a country where political gossip is accepted as truth. Italian politicians are not so different from American politicians that they did not use such indirect facts as the absence of transfer on the appointed date to imply that the British and Americans had no faith in Parri's government. Faulty administrative structure and poor selection of personnel may not often lead to the fall of governments, but in Italy American governmental chaos was a large contributing factor.

#### *Journalistic Reporting*

THE responsibility of the press in its approach to the reporting of governmental activities should be given more attention by both journalists and public administrators. Methods must be devised to insure understanding of administrative techniques and problems as they affect governmental action in order that criticism of public programs shall be directed at those areas where reform is desirable and practicable and not at points unrelated to the program. This requires knowledge by journalists of the intent, ends, and function of an administrative program and hard work by administrators in helping journalists to educate themselves in specialized and technical fields.

To report adequately on military government one should have knowledge of government, as well as of the country and its language. A sports writer or a young, inexperienced reporter cannot measure up to the responsibility of the job. An English journalist has stated privately that, in his

opinion, the early fiasco in Greece arose, in part, from the poor quality of the journalists sent in. The British underestimated the magnitude of the occupational problem and the intensity of the political forces set loose by the withdrawal of the Germans. They expected little trouble and sent in only second-bench reporters. These reporters did not comprehend the social upheaval they were witnessing. The result of this misunderstanding is part of the unhappy history of Allied occupation.

Most journalists in Naples, for example (the situation remained the same in Rome and later in Milan), waiting around for the Army to advance toward Rome, were looking for sensational news in the interim of the war doldrums. They were shocked by the sight of dirty children without shoes, forgetting our own urban and rural areas of squalor and poverty. They took little trouble to inform themselves as to the habits of Neapolitans, or to find out where water would come from in a bombed city, where soap could be obtained, or whether children in southern Italy were ever shod during the summer and fall. It meant nothing to them, for purposes of a human interest story, whether it was the function of AMG, in the directives laid down by the Joint Chiefs of Staff, to raise the living standards of the Italians, or whether shipping space, at that crucial period of hostilities, was available. What they succeeded in doing was to short-sell Americans in their own eyes by belittling the accomplishments of their representatives abroad. Because they were uneducated for the task, they missed real criticism at those points where criticism was justified and might have effected change in top policy. What they accomplished was the criticism of hard-working AMG officers in the field, who, with little direction from headquarters, were improvising on their own and trying to help the people of their provinces with the meager resources they possessed. The American people cannot afford, either for

foreign or for domestic information, to depend upon people unfitted by education and experience to understand what they see. The profession of journalism must set standards for its representatives. We cannot expect dozens of Anne O'Hare McCormicks or Herbert Matthews, but we do have a right to expect correspondents who think and read in the natural course of their literature profession.

#### *Lack of Official Policy*

THE State Department, through the embassy in Rome and through the consulates in Italy, neither interfered with nor aided AMG. It seems obvious that representatives of the State Department should have been attached to AMG units from the beginning. But no leadership in policy-making was provided. In effect we had no foreign policy in Italy; no one could tell AMG what we planned for Italy. This affected our prestige and the daily job of AMG and AC headquarters in dealing with concrete problems which arose. Representatives of the Foreign Office and the State Department who were finally attached to AC headquarters and to Caserta dealt in hushed and high-level matters which never trickled down to the administrative vineyards. With the exception of a few able and experienced individuals, the staff of the embassy, like their counterparts in most places in the world, live in a closed, and often vicious, circle of inbred contacts with the American set or, at most, the British set. When they see Italians, they tend to follow the same instincts our officers followed. Their reports to the State Department must necessarily be as limited as their actual contact with all classes of people in Italy. It has been suggested that both the pre-war Foreign Office and our own State Department suffered as a result of the kind and quality of information they received from their embassies—reports upon which foreign policy had to be based. The State Department would do well to select and

train individuals with administrative and political experience (the latter kind of training is essential now with the coming of a new and hard-boiled trend in international dealings as revealed in the Bevin-Vishinsky colloquies) and with the kind of personal outlook which the cultural relations attaché of the American Embassy in Rome possesses. His four-point cultural exchange program, announced in the early part of 1946, was an encouraging sign that some Americans understand our function in occupied countries.

The failure of AMG in Italy started at the planning level. The plans lacked vision of what the basic problems would be and insight concerning the type of administrative structure AMG would need to accomplish its mission well. Errors of this kind, mistakes of judgment, are understandable in the early preliminary days of preparation under emergency conditions. Why drastic reform was not demanded by the War Department when once the inadequacies of administration, program, and personnel were known is a chapter of occupation history more difficult to comprehend.

#### *Larger Factors Behind Failure*

AMG, LIKE our federal and state governments, lacked administrator-politicians capable of creating realistic and humane policies and carrying them through under trying circumstances. For years now we have emphasized the techniques of controls, budgeting, and personnel. Our profession can boast the best technicians of any present-day society. They were never lacking in Italy. But where could we turn there, or here, for the high-level administrator-politician who understands what he is driving at with the elaborate means at his command, who understands people and social forces as well as the proper numerical paragraphing of administrative orders? Where are they being trained, and how? Certainly they were not trained at Charlottesville or Shrivenham. Chance was, and still is, the

deciding factor in the most important segment of public administration: policy-making and the training of policy-makers. We left to chance the highest responsibility we have undertaken in the outside world.

The making of supreme policy for the administration of occupied territories, so vital to a peaceful world, was never guided by the most experienced and able administrator-politicians America could produce. Men with Army training or lawyers with Wall Street experience, highly placed in the War Department, actually formed the narrow and unrealistic policies under which AMG in every occupied country functioned. This first failing led to the formulation of an administrative program in Italy which was inadequate from the first day we landed in Sicily to cope with the most rudimentary problems. From restricted vision

of what our responsibilities were and what our program should be, came limitations of personnel, both in numbers and ability, especially at policy-making levels. Blurred insight, too, led inevitably to the adoption of military techniques and channels of operation which constrained and checked the successful performance of even limited duties. Improper initial policies and plans could result only in improper programs, personnel, and methods.

The troubling thought in the appraisal of AMG administrative failure in Italy is the realization that the same pattern of error has extended to all countries occupied by Americans. The logical inference is that it must represent a lack of administrative ability in the United States, at policy-making and directing levels, more general than we care to admit.

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Now supposing promotions were made because of mere reputation, then ministers would be estranged from the sovereign and all officials would associate for treasonable purposes. Supposing officials were appointed on account of their partisanship, then the people would strive to cultivate friendships and never seek employment in accordance with the law. Thus the government lacking able men, the state will fall into confusion. . . . Therefore, the intelligent sovereign makes the law select men, and makes no arbitrary regulation himself.—Chapter 6 on "Having Fixed Measurements," *The Book of Han Fei* (d. 233 B.C.)

The laws reach but a very little way. Constitute government how you please, infinitely the greater part of it must depend upon the exercise of the powers which are left at large to the prudence and uprightness of ministers of state. Even all the use and potency of the laws depends upon them. Without them, your commonwealth is no better than a scheme upon paper; and not a living, active, effective constitution. It is possible that through negligence, or ignorance, or design artfully conducted, ministers may suffer one part of government to languish, another to be perverted from its purposes, and every valuable interest of the country to fall into ruin and decay, without possibility of fixing any single act on which a criminal prosecution can be justly grounded. The due arrangement of men in the active part of the state, far from being foreign to the purposes of a wise government, ought to be among its very first and dearest objects.  
—EDMUND BURKE, *Thoughts on the Cause of the Present Discontents*.

# The Government Seizure Stratagem in Labor Disputes

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SECTION 3 of the War Labor Disputes Act<sup>1</sup> amends the Selective Training and Service Act of 1940 (54 Stat. 892) to empower the President, through such agency of the government as he may designate, to take possession of and operate any industrial facility:

... whenever the President finds, after investigation, and proclaims that there is an interruption of the operation of such plant, mine, or facility as a result of a strike or other labor disturbance, that the war effort will be unduly impeded or delayed by such interruption, and that the exercise of such power and authority is necessary to insure the operation of such plant, mine, or facility in the interest of the war effort.

Although the War Labor Disputes Act presently is looked upon as the chief basis for plant seizures, it will be noted that the act relates only to the seizure of properties by the government resulting from "a strike or other labor disturbance." In addition, however, there are a number of other premises for such action. It will be recalled that several seizures,<sup>2</sup> for example, the much publicized cases of the North American Aviation Company and Air Associates, Inc., in 1941, occurred before the passage of the War Labor Disputes Act in 1942.

<sup>1</sup> Public Law 89, 78th Cong. (sometimes known as the Smith-Connally Act).

<sup>2</sup> The four World War I seizures are not considered in this article. They included the Smith and Wesson Co., Springfield, Mass.; Federal Enameling and Stamping Co., McKees Rocks, Pa.; Liberty Ordnance Co., Bridgeport, Conn.; and the Mosher Safe Co., Hamilton, Ohio. Only the first of these cases involved a labor dispute; the others grew from management difficulties. The authority used for these seizures was Section 120 of the National Defense Act of 1916.

Furthermore, the presidential orders directing the seizure of industrial properties since the passage of the War Labor Disputes Act have recited that the President acted by virtue of the authority vested in him "by the Constitution and laws of the United States, particularly the War Labor Disputes Act, and as President of the United States and Commander-in-Chief of the Army and Navy of the United States." Obviously, this covers a lot of territory.

Prior to the enactment of the War Labor Disputes Act, the seizure and operation of industrial facilities by the government was predicated upon the general powers of the President under the Constitution and statutes of the United States, including any or all of the following authorities:

1. *War Powers of the President.* The President of the United States, by virtue of his authority as Commander-in-Chief of the Army and Navy of the United States, may, by executive order, direct that possession of an industrial facility be taken by an agency of government and that operations be conducted for the production of war materials called for in contracts with the government or affecting the war effort. The exercise of such authority is a responsibility founded upon the constitutional power of the President, augmented by the general authority contained in various statutes defining his authority and by those undefined powers attributable to the President in time of war.

2. *Second War Powers Act, 1942.* Authority for the acquisition of industrial

facilities by condemnation proceeding is included in the scope of Title II of the Second War Powers Act of 1942 (56 Stat. 177). This statute expressly authorized the taking of immediate possession by the government upon the filing of a condemnation petition. Action under this statute is appropriate when other than temporary operation is contemplated by the government.

3. *Selective Training and Service Act of 1940.* Section 9 of the Selective Training and Service Act of 1940 authorizes the President, through the Secretary of War or Navy, to place a compulsory order for the production of war materials with any manufacturing industry. A compulsory order so given is entitled to priority and, upon refusal of any manufacturing plant to comply with its terms, the President, through the Secretary of War or Navy, is authorized "to take immediate possession of any such plant or plants, and through the appropriate branch, bureau, or department of the Army or Navy to manufacture therein such product or material as may be required."

4. *National Defense Act, Section 120.* Further statutory authority for the issuance of compulsory orders by the President, through the head of any department of the government, is contained in Section 120 of the National Defense Act (39 Stat. 213). If a manufacturer fails to comply or give priority to such an order, the President, through the head of any department of the government, is authorized "to take immediate possession of any such plant or plants, and through the Ordnance Department of the United States Army, to manufacture therein in time of war, or when war shall be imminent, such product or material as may be required."

5. *Transportation.* With respect to transportation facilities, an act of August 29, 1916 (39 Stat. 645) authorizes the President, in time of war, to take possession of and assume control of any system of transportation, or any part thereof, and to utilize the facilities in such manner as may be neces-

sary for purposes connected with the war emergency. It was pursuant to this specific authorization that War Department operation of the railroads was directed by the President during the period from December 27, 1943, through January 19, 1944.

6. *Other Authority.* Supplementing the basic authority, a plant seizure may involve application of the power for requisitioning personal property within the scope of the Property Requisitioning Act of 1941, as amended,<sup>1</sup> or the requisitioning of ships and vessels.<sup>2</sup> Also, under some circumstances following a plant seizure, inventories of supplies and work-in-process could be acquired by utilization of procedures contained in most government contracts authorizing their termination for the convenience of the government.

#### *Occasions for Intervention*

THE commandeering of an industrial facility was directed during the war only as a last resort when other means of removing a threat to continued war production had failed. In such cases noncompliance with a directive order of the National War Labor Board, now abolished, usually was involved. However, seizure and operation of an industrial facility also could be prompted by other causes. For example, the refusal or failure of a producer to comply with a compulsory production order issued by the War or Navy Department for the production of war goods; financial difficulties or irregularities affecting war production; or a generally unsatisfactory war production record. Riot or civil disturbance, under circumstances seriously threatening the property of a war plant or its production, also would furnish occasion for taking possession of and operating a facility. In such instance, the function of military authorities directed to take possession would be largely confined to protecting

<sup>1</sup> 55 Stat. 742, extended by Public Law 378, 78th Cong.

<sup>2</sup> 55 Stat. 242, extended by Public Law 610, 77th Cong.

the facility and its workers, to make continued production possible.

When a labor dispute gives rise to government intervention, it customarily involves an actual or threatened strike, lockout, slowdown, or other labor disturbance or a generally unsettled labor condition which has caused or is likely to cause an interruption or curtailment of war activities. During the war the seizure device usually was invoked as a result of the action of either management or labor in refusing to follow the procedures prescribed by, or the orders of, the War Labor Board or some other government agency. Since V-J Day, however, the occasions for seizure have become less specific and, as we all know from the press, seizure has been resorted to in a number of important postwar strike situations where other means of avoiding a strike had failed.<sup>1</sup> It is uncertain how far this trend or policy, if it may be called such, may be carried in the future, particularly if the War Labor Disputes Act is allowed to remain in effect.

It is highly important to distinguish between the two major types of seizure situations which arise from labor disturbances, which necessitate quite different treatment in the operation of the facility. The first type of situation results from the failure or refusal of management to follow prescribed procedures for settlement of industrial disputes, i.e. where interruption of production is caused or threatened by management. Abolition of the War Labor Board may have eliminated most cases of this type, since such situations during the war usually grew from refusal by management to accept an interim or final order of the War Labor Board. The Montgomery-Ward case is an example.

The second type of situation results when employees go on strike or threaten to strike,

including walkouts, slowdowns, or threats thereof which cause an interruption or curtailment of production or service. Under such circumstances the purpose of the seizure is to restore normal operations, to effect compliance by the striking group, or to restore a situation in which the disputants will use means other than the strike weapon for the settlement of their dispute. Mention should be made, however, of a special type of strike situation which sometimes occurred during the war, where the employees went on strike or threatened to strike because management refused to comply with an order of the War Labor Board and where the strike or threat would promptly terminate upon government action to enforce management compliance. Such cases properly should be classified with the first type.

The first type of situation, growing from a management problem, may entail complete operation by the government agency charged with the seizure, with displacement of the existing management and substitution of a new managerial staff as the only practical means to accomplish the purpose of the seizure directive. In this type of situation, cooperation from management usually is difficult to obtain and it may even be necessary to finance the operation with government funds. Obviously, this presents the seizing agency with a very difficult operating task, particularly when the seized properties are large and complex in nature.

In the second type of situation, growing from a strike, the effectiveness of seizure can be stalemated if the strikers refuse to return to work for the government, since there now is no way to force them. This is a basic weakness of the seizure technique. However, this situation normally is attended with cooperation from the existing management. The customary interest of management in effecting a restoration of full production usually is identical with that of the seizing agency. Hence, in most instances, it is possible for the government to make

<sup>1</sup>Seizure of strike-bound oil refineries and pipelines by the Navy; of meatpacking companies by the Department of Agriculture; and of New York tugboat companies, the Washington Transit Company, and Great Lakes Towing Co. by ODT.

arrangements to conduct the operation under a plan whereby all operating expenses are defrayed by the company, with the existing management utilized under contract agreement in operating the facility. Under such circumstances it is necessary for the government to exercise only the degree of policy control necessary to carry out the purpose of the seizure. Where such circumstances obtain, the performance of the entire mission is greatly simplified. There is no need for financing with government funds, and it usually is possible for the seizing agency to secure a satisfactory operating arrangement (subject to termination by either party) with the company whereby the government waives certain operating rights which it may have during the period of government possession and the company in turn agrees to finance the operation and provide a release in favor of the government.

#### *Policies Related to Intervention*

DURING a period of war the maintenance of uninterrupted production of supplies and materials is vital to the success of armies in the field. Total war necessitates total economic mobilization and requires complete utilization of industrial facilities engaged in war production. The national interest requires that there be no interruption in the operation of an industrial facility of a character to impede the war effort. The national interest therefore requires (as more specifically set forth in the War Labor Disputes Act, the wartime no-strike pledge of labor, and various pronouncements of the President and the National War Labor Board) that labor disputes in time of war be settled through peaceful means, such as negotiation, collective bargaining, mediation, arbitration, or referral to an authorized government agency, rather than by means of economic weapons, such as strikes, lockouts, or slowdowns, which interrupt or curtail production. As a corollary to the basic policy

outlawing economic action, there also is imposed on both management and labor the wartime obligation of accepting in good faith, and complying with, the decisions of established government agencies whenever disputes cannot be settled by agreement of the parties. During the war, the National War Labor Board was the official government agency for the final resolution of most war labor disputes. Thus, failure to conform to a decision of such an agency or disregard of the procedures set forth to obtain such a decision represented a serious disregard of the national wartime labor policy. In instances where there was an interruption of production, or such interruption was seriously threatened, seizure of the facilities was one of the methods at the disposal of the government for enforcing compliance with such policy and thus assuring resumption or continuance of production. The use of troops in several early seizure cases also made it evident that the government was prepared to use force if necessary to require the parties to the dispute to follow orderly processes in settling their quarrels.

*Sanctions.* Certain sanctions can be used in various cases to implement the effectiveness of government action after seizure of a facility. For example, the provisions of Section 6 of the War Labor Disputes Act, which makes it a criminal offense for anyone to interfere actively with the operation of properties seized by the government (as distinguished from passive participation in a strike), may be applied. Before abolition of the War Labor Board, the director of economic stabilization was authorized<sup>1</sup> to issue directives to the government agency operating a seized facility directing the agency to apply to the board for an appropriate order withholding or withdrawing from a noncomplying labor union any benefits, privileges, or rights accruing to it under the terms or conditions of employment in

<sup>1</sup> Under Executive Order No. 9370 (August 17, 1945).

effect when possession was taken, until such time as the union demonstrated to the board's satisfaction its willingness and capacity to comply. Similar action might be directed by executive order or other means now that the board is abolished. The executive order directing seizure also might include provisions authorizing or directing certain special measures by the seizing agency against striking employees. In one instance, for example, the order provided for cancellation of draft deferments and employment privileges.<sup>1</sup>

*Maintaining Prevailing Conditions.* An important consideration in any government seizure is the desirability for the seizing agency to maintain the status quo with respect to the operating and labor conditions prevailing prior to government intervention, except to the extent that an authorized agency of government theretofore or thereafter directed a necessary change in labor conditions. The seizing agency should not tamper with existing working conditions. Most executive orders directing seizure of industrial facilities have specifically included a provision requiring the seizing agency to operate the facility under the terms and conditions of employment prevailing prior to government possession and not to modify them without authority. During the war, in instances where management refused to put a directive order of the War Labor Board into effect, the necessary provision directing enforcement of the ruling was included in the executive order. Furthermore, in instances to which the War Labor Disputes Act applies, Section 5 thereof directs that the terms and conditions of employment which were in effect at the time possession was taken shall be continued during government operation unless they are changed by order of the War Labor Board, approved by the President, as provided in the act. Since abolition of the

board, subsequent seizure orders have specified that "duly authorized Federal agencies shall, with the approval of the President"<sup>2</sup> direct such changes, or similar restrictive conditions.

The status quo policy obviously occupies a significant place in the seizure technique. In a seizure resulting from a strike, for example, it is important, in urging the striking employees to return to work, to give no impression to them that they have gained any of the concessions for which they went on strike or that they have achieved a victory. They must not be given any idea that an advantage has been gained by government intervention. Otherwise a disastrous labor situation could develop whereby labor groups might maneuver toward government seizure in every difficult dispute with management, to obtain the advantages accruing therefrom. Also, if the seized company has a clean record, in equity, it should not be penalized any more than actually necessary by the seizure. The same cautions likewise apply to seizures occasioned by management difficulties, and great care must be taken to avoid deviations which give management any unnecessary advantages in the dispute by reason of the seizure.

*Restoring Productive Efficiency.* We have noted that the primary objective of any seizure is to restore the normal operating or productive efficiency of the facility. Thereafter, the government's policy has been to terminate possession and operation by the government as soon as practicable. Several executive orders have provided for termination of seizures within sixty days after the seizing agency determines that the productive efficiency of the facility has been restored to the level prevailing prior to the interruption of production referred to in the recitals contained in the executive order. Such provisions are in harmony with the War Labor Disputes Act, Section 3.

<sup>1</sup>Executive Order No. 9408 (December 19, 1945), directing seizure of the Point Breeze plants of the Western Electric Company, in Baltimore, Md.

<sup>2</sup>Executive Order dated January 24, 1946, directing the Secretary of Agriculture to seize the nation's meatpacking facilities.

which requires return of the facility to the owners "as soon as practicable, but in no event more than sixty days after the restoration of the productive efficiency thereof prevailing prior to the taking of possession thereof." In an interpretation, the Attorney General of the United States ruled that productive efficiency is not restored within the meaning of this statute so long as the basic labor disturbance giving rise to the government seizure has not been solved.

*Labor Relations.* The nature of labor problems which arise during a period of government seizure varies and usually depends to a large extent on the controversy which moved the government to intervene. In considering the problems involved we already have noted that, for statutory reasons where the War Labor Disputes Act is applicable and for policy purposes in other cases, the seizing agency has a responsibility for keeping in effect the same terms and conditions of employment which prevailed prior to the seizure except in so far as they may necessarily be modified by direction of proper authority. In many cases there is little or no difficulty in determining what were the terms and conditions of employment in effect prior to the seizure. However, in cases where there is no written statement or where a controversy exists over the validity and interpretation of a contract and the issues must be resolved to carry out the operation, a serious problem arises which is difficult to resolve without jeopardizing the seizing agency's position of impartiality.

Another basic consideration is that there should be no negotiation on the part of the seizing agency toward a decision on the merits of the issues in dispute. Such negotiations should be carried on concurrently by or under the direction of the Department of Labor or such other agency of government as may be responsible for the actual settlement of the dispute. The seizing agency's action in taking possession of a facility is not for purpose of effecting a

settlement of the dispute by its mediation or arbitration efforts but is rather designed in support of the government's policy for settlement of the dispute without interruption of vital production or services.

#### *Operating the Facility*

THE exact manner in which government operation of seized facilities may be conducted is too complex a matter for full discussion in this article. Furthermore, the extent to which the seizing agency is required to engage in detailed operations varies with the nature of the activity and, more important, with the relationship between the government and management following the seizure. Generally, it is desirable to permit the private managers of the facility to continue with their managerial functions to the maximum degree possible, consistent with the aims of the seizure. Therefore, the usual practice has been to utilize the existing management and, where full cooperation is offered, to enter into an appropriate contractual agreement providing that the operation will be for the account of the company, with the company defraying the costs of operation and retaining the benefits therefrom. It has usually proved desirable for the seizing agency to implement the arrangement by issuing an order appointing the plant manager and expressing definite limitations on his authority. Where the relationship with management is such as to make it feasible to finance operations with company funds under this plan, it is apparent that many difficult fiscal and financial problems are eliminated. The financing of the operation with company funds is particularly advantageous when operation of a commercial business not related to direct war contracts is involved, since the extent to which government funds may be used to conduct such a business is not entirely clear.

Under some exceptional circumstances it is not possible to obtain the operating agreement above referred to. A modified

plan was used, for example, by the War Department in the operation of the railroads and by the Interior Department in the operation of the coal mines. In these cases no operating agreement was entered into, but the companies, at the request of the seizing agencies, continued to conduct operations in the normal course of business, expending their own funds on operations. At termination of government possession the companies were requested to execute a release in favor of the government, and in consideration the government waived the right which it had to an accounting for the proceeds of operation during the period of government possession and control.

In those cases in which the purposes of the executive order contemplate the complete assumption by the government of all managerial functions, usually where the seizure resulted from a management problem, it may become necessary to finance operations from government funds. It is desirable to avoid this action, however, if practicable as a matter of policy and the company will cooperate. In such a case the circumstances may be such as to make it practicable to enter into an agreement with the former management for continued operation with company funds, based on the interest of the company in protecting its creditors and preserving its financial structure.

For example, in one instance of War Department seizure, an agreement was negotiated providing that War Department operation would be financed by means of funds consisting of receipts from company business and of advances made by the government on account of war contracts held by the company. A lien in favor of the government as security for such advances was reserved. It was provided that, subject to the mentioned lien, the costs of operations were to be defrayed from the fund so created. The company, through its board of directors, adopted a resolution authorizing its officers and agents to make sales, pur-

chases, and disbursements incidental to the operation under the direction of and subject to approval of the War Department manager. In this instance, operation under the plan was so carried out as to make any direct expenditure of government funds unnecessary, and it was possible to return the plant at the end of government possession with the company executing in favor of the government a complete release for any liability arising out of the use of the plant by the government and without payment of compensation therefor.

When cooperation with management and financing with company funds is not possible, arrangements must be made by the seizing agency for the financing of operations with government funds and with receipts from operations. Determination of the exact method of financing is a matter of policy which varies, depending on the financial resources of the government agency directed to seize and the nature of the industry. It is considered that the War Labor Disputes Act carries implied authority for the establishment of funds composed of appropriated monies allocated to finance operations and of receipts from actual operations. Ordinarily, the seizing agency does not have authority to take possession of or to use any of the funds or receivables of the company attributable to prior business, unless the company consents to the use of such funds in the manner discussed previously.

Without going into detail about them, the following significant items of interest in cases where the government must itself manage and finance the operation may be mentioned:

1. *Prior Obligations.* By taking possession of the physical properties, the government does not assume any of the company's obligations. In fact, the government may not choose to undertake performance of the company's contracts. Inquiries concerning outstanding company accounts are referred to the company.

2. *Payroll Deductions.* Deductions such as those covering old-age benefits, unemployment compensation insurance, group insurance plans, and savings bond purchases usually are continued.

3. *Workmen's Compensation.* Although it may be argued that the workers are covered by the Federal Employee's Compensation Act after seizure, workmen's compensation insurance payments usually are continued as a matter of sound policy to protect employees; they are legally proper by reason of congressional directions to maintain the status quo.

4. *Procurement.* The seizure carries with it necessary authority to procure all materials and equipment necessary to carry on operations. This sometimes involves long-term purchase programs to protect business activities many months in the future. An alternative method of procurement, if the company will cooperate, is for the company to continue procurement for its own account for transfer to government use. This maintains the source of supply, and some long-term supply contracts may contain advantageous price terms. Possible advantages to the company include continued business relations with important sources of supply and facilitation of settlement with the government when the facility is returned to the former management.

5. *Existing Inventories.* Continued operation usually involves utilization of exist-

ing inventories and work in process, which are taken over at time of seizure. Careful inventory is necessary for later purposes of settlement.

6. *Fiscal.* Detailed provision must be made for receipts and disbursements and for an appropriate system of accounting.

#### Conclusion

ALTHOUGH necessarily sketchy at times, an attempt has been made to present sufficient information in this article to indicate the broad scope of government seizure activities and the serious problems they presented, particularly during the war. On V-J Day six agencies of the federal government were still operating two dozen of the sixty-odd companies which had been seized since the spring of 1941. The problem was further complicated by the fact that many of the seized properties were multiple in nature, as illustrated by the railroad seizure involving some 565 railroads, the mass seizure of Chicago trucking companies, and other cases. It was truly a "big business" activity during the war and remains an important stratagem of government in labor dispute situations at the present writing. What the future of the technique will be is not clearly predictable at this time, but the observation of further developments in this extraordinary activity should be of considerable interest to persons concerned with matters of public administration.

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A statesman who supposes that a mass of citizens can be governed without appeal to their self-interest is living in dreamland and is a public menace. The art of Government in fact is the art of so ordering life that self-interest prompts what justice demands.—WILLIAM TEMPLE, *Christianity and Social Order* (Penguin Press, 1942) p. 43.

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# Wartime Trends in the Dominion Civil Service in Canada

By TAYLOR COLE

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THE National Emergency Transitional Powers Act went into effect in Canada on January 1, 1946. Despite its provision for the continuation of important wartime controls in order to fight inflationary trends, it recognized that the wars with Germany and Japan were over in the meaning of the War Measures Act of 1914. This legislative expression of the change from the war to the postwar period was reflected shortly thereafter in administrative quarters, when the Minister of Munitions and Supply removed himself and the remnants of his department to the new Ministry of Reconstruction and Supply. This date consequently marks a point from which one may take a backward glance at certain of the wartime developments in the Canadian civil service.

During the period 1939-45, Canada assumed a new position of international prestige. Internally the sharply accelerated industrialization of the dominion in general and of certain of the provinces in particular had gone hand in hand with a trend toward centralization which cut across many of the previously existing federal barriers. This industrialization and centralization had, in turn, witnessed and in fact had largely occasioned the rapid expansion of the public services. New offices and new personnel appeared overnight. The necessity for speedy action increased the finality of administrative determinations. The real heart of this war effort in Canada, as in other warring countries, lay in her civil service, the "core of modern government." It is the evolution

of this civil service during the war years which will be traced in the following pages.<sup>1</sup>

## *Size of the Public Service*

THE statistics on public employment in the Dominion of Canada are incomplete, and figures on the total number of public employees vary widely depending on which categories are included. According to the official census figures and not counting "non-enumerated" classes, there was an increase in the total number of public employees from 46,106 in March, 1939, to 66,926 in 1941, to 104,055 in 1943, and to 112,658 in 1944. On the other hand, a return to an order of the House, tabled on June 22, 1944, listed some 147,217 permanent and temporary employees as of March 31, 1944. In this figure were included categories of employees not listed in the census

<sup>1</sup> The terms "civil servant," "public employee," "civil service employee," etc., have no precise legal definitions except as interpreted in the light of their context in specific statutes and orders in council. For this reason, we have used the terms rather loosely in this paper, though "public employee" has been generally preferred.

In considering the dominion civil service we are dealing with only certain aspects of public employment in Canada. For example, the Canadian National Railways, the stock of which is owned by the Canadian national government, had over 100,000 employees in 1945. These are not considered, since their position was similar to that of the employees of the Canadian Pacific Railway Company, the stock of which is privately owned. The various crown companies and management fee companies had in July, 1945, around 150,000 employees, according to an estimate on October 9, 1945, from the Hon. C. D. Howe, then Minister of Munitions and Supply. No attention is devoted to these employees, since their status was similar to that of employees in private employment. Obviously, employees of the provinces and certain other public corporations are not included in the "dominion service."

figures. Well-informed estimates of the total number of employees in 1945 have reached 150,000. In any case, it is clear that the number of employees of the dominion more than doubled during the war years. In this respect, the dominion experience stands in sharp contrast to that of the provinces and the municipalities.

This increase in dominion employment reflects some additions to the number of employees of the older departments, such as Finance and National Revenue, but represents primarily the increases in the newer war agencies and in the defense departments. In the four years after the division of the original Department of National Defence in 1940, some twenty-six thousand civilian employees, not counting replacements, had to be recruited for these three departments alone. Other newly created agencies, such as the Unemployment Insurance Commission and the Wartime Prices and Trade Board, added to the total.

There was, however, no increase in the number of permanent dominion employees during the war period. Practically all of the positions created during the war were classed as temporary, and the number of permanent employees actually declined from 32,132 in March, 1939, to 29,343, in March, 1944.<sup>1</sup> At this date in 1944 the number of temporary employees was around 74 per cent of the total, whereas there were over twice as many "permanents" as "temporaries" at the outbreak of the war.

Some few of the additional employees of the dominion were taken over from the provincial governments during the war. A certain number of the employees of the provincial employment offices were ab-

<sup>1</sup> In addition to differences in the economic status and rights of permanent as compared to temporary civil servants, a permanent civil servant can only be dismissed by an order in council, whereas a temporary civil servant can be dismissed by the head of a department. The reclassification of a permanent position also requires an order in council, whereas the reclassification of a temporary position requires only the approval of the Treasury Board and does not have to be referred to the Governor General in Council.

sorbed into the staff of the Unemployment Insurance Commission, which was created on the basis of the amendment of 1940. After August 1, 1941, these employees were covered by the provisions of the Civil Service Act. The war saw new types of relationships developing between dominion and provincial officials in the field of finance, labor administration, and agriculture. But with these and a few other exceptions, there were few contacts between the dominion and provincial employees.

### *The Control Agencies*

NORMALLY the chief agencies of control over the dominion civil servants and employees are the Parliament, the Cabinet, the Treasury Board, the Civil Service Commission, and the heads of the various departments and agencies. The war witnessed a declining tendency on the part of Parliament, many of whose members have never lost their interest in the civil service for patronage or other reasons, to interfere with the administration of the civil service. In contrast to its record prior to that date, Parliament after 1939 created only one special investigating committee which concerned itself to any extent with the civil service. This was the Committee on War Expenditures, which was appointed on March 5, 1941, by the House of Commons to examine the expenditures for defense services.

The Cabinet or, strictly speaking, the Governor General in Council, acting under the very broad authorization of the un-repealed War Measures Act of 1914, possessed a general supervisory power over the administrative agencies and their personnel during the war. In this capacity, the Privy Council availed itself of the services of an occasional special investigating committee, of which the Coon Committee, named after its chairman and created early in 1943 (P.C. 2/584 [Jan. 23, 1943]) was perhaps the best known.

On personnel questions, the nerve center

of the Cabinet was the Treasury Board, the inner committee of six ministers, headed by the Minister of Finance. Its key role was specifically recognized in a Privy Council Order in 1940 (P.C. 1/1569 [April 19, 1940]). In accordance with this order the Civil Service Commission could, with the approval of the Treasury Board, exercise general powers of investigation, organization, and classification and could make appointments "after such tests of qualifications as the Commission considers practicable and in the public interest." As a consequence, the Civil Service Commission, which is composed of three members appointed for ten-year terms, occupied a dual position during the war. On the one hand, the commission served in a wartime emergency capacity as an adjunct of the Treasury Board, which, in turn, derived its powers from the Privy Council. On the other hand, the commission continued to function in its normal and more independent capacity under the Civil Service Act of 1918 as amended.<sup>1</sup> Obviously, the emergency role of the Civil Service Commission was far and away the more important during the war period.

Various steps were taken to carry out the enormous amount of additional work imposed upon the commission in its dual capacity. In the first place, wartime conditions necessitated a heavier dependence than usual upon departmental recommendations. Some devolution of functions to the departments occurred simply through default. At the same time, the staff of the commission itself was expanded. The creation of local offices by the commission permitted some decentralization of functions in order to lighten the burden on Ottawa. Originally these local offices of the commission were established in Montreal, Toronto, Winnipeg, and Vancouver. By 1943

the four local offices had grown into nine "district" offices, and their services, originally designed to facilitate the servicing of the defense departments outside of Ottawa, had been extended to meet general staff requirements at these points. A final step was taken when the commission sent an examining body abroad in July, 1945, to fill by field recruitment a number of positions in the newly created Department of Veteran Affairs. This step was taken to offer the widest opportunities to war veterans.

The first-rate performance of the Civil Service Commission throughout the war may be attributed to the caliber of its personnel and particularly to the direction furnished by two of its able veteran members, Charles H. Bland, chairman, and James H. Stitt. In 1942 Arthur Thivierge, who came to the commission in 1920 after service in the old Department of Interior, was added to the commission to replace the "French-Canadian representative," Adrien Potvin. In 1945 Stanley G. Nelson, who had previously served as chief examiner of the commission, was promoted to membership in the commission when Commissioner Stitt retired at the expiration of his ten-year term.

In sharp contrast to the situation in the United States, the Canadian Civil Service Commission as now constituted is composed in its entirety of men who had served previously as employees of the commission and who were promoted after years of responsible public service with the commission. It is to be expected that in the future the present commission will continue to favor a general system of promotion from the ranks to the higher positions in the service. At present they have little choice if in dealing with the permanent employees they carry out both the letter and spirit of the unique classification system as originally adopted in 1919.<sup>2</sup> This principle

<sup>1</sup>Revised Statutes of Canada, 1927, c. 22. A large number of positions are not subject to the provisions of the Civil Service Act. See the various issues of the Civil Service Commission's *Positions Exempted from the Civil Service Act*.

<sup>2</sup>Statutes of Canada, 8-9 Geo. V. (1918), c. 12; *ibid.*, 10 Geo. V (1919), c. 10. There have been some modifications, however, as in the case of clerks, grade four.

of filling the higher positions by promotion from below has the strong endorsement of the Civil Servant Associations. Insofar as it has been embodied in the classification act of 1919, however, it has received the sharp condemnation of one of Canada's leading students of the civil service, who finds these features of the classification act inconsistent, unsound in theory, and unworkable in practice.<sup>1</sup>

The chief criticism heard of the work of the commission during the early years of the war was that its procedure was inflexible, rigid, and slow. Some officials in certain of the newer wartime departments, such as that of War Services, expressed themselves vigorously on this point. The irritation was often directed at any type of delay, and there was little interest in explanations therefor. More basic was the charge that there was no long-range civil service program or planning and that the whole system was one of day-to-day improvisation for the needs of the moment. To some extent this charge was true, and a part of the blame must be attributed to the Treasury Board and the commission. However, plans for the civil service depended upon the fiscal policies of the government and could not be separated from the general governmental plans for the mobilization of Canadian resources for war purposes. These policies and plans were necessarily subject to change, but a great deal more planning was possible than actually materialized. For this failure the Cabinet as a whole must shoulder the responsibility.

#### Recruitment

AT THE beginning of the war in 1939 the Civil Service Commission, acting as a recruitment agency, was playing a central role in a competitive civil service system. By the end of the war it had become pri-

marily a qualifying agency. Its primary task had shifted from that of selecting the best qualified among the surplus of applicants to one of finding and soliciting those who could meet certain minimum qualifications. A number of expedients were tried. In the case of clerical, stenographic, and typing help, arrangements were made for giving field training in these skills to recruits who might possibly be used in Ottawa. Borrowing from earlier American practices, examination procedure for local positions was decentralized. The payment of a part of the railway fare to Ottawa and other cities where extreme shortages existed was approved. In September, 1943, housewives were encouraged to accept part-time employment as clerks and stenographers. In cooperation with various civic agencies, an intensive publicity campaign was undertaken. Housing accommodations were secured for some of the lower-paid employees. For special technical categories, efforts were made during the early part of the war to secure recruits in the United States.

The primary reason why the Civil Service Commission had to resort to such measures was, of course, the competitive and ever-increasing demands of industry geared to the maximum production of goods for war purposes. In addition, the Canadian selective service system operated to reduce the number of eligibles available to fill vacancies. In 1941 males between the ages of 18 and 45 were, except in unusual cases, made ineligible for appointment in the public service unless they were declared physically unfit or unless they had been discharged from the armed services on this ground (P.C. 4579 [June 27, 1941]). However, some belated relief from the rigidity of this rule, which had seriously hampered the commission in its work, was provided in 1944 when the upper age limit was reduced from 45 to 37. These various factors will help explain the sharp increase, relatively and absolutely, of women in the dominion service. In 1939, 5,309 males and 2,036 females

<sup>1</sup> R. M. Dawson, "The Canadian Civil Service," *Canadian Journal of Economics and Political Science* 294 ff. (August, 1956); cf. his *The Civil Service of Canada* (Oxford University Press, 1929), pp. 158 ff.

were assigned to positions, whereas in 1943, 15,415 males and 36,795 females were assigned.

The turnover in the services reached alarming proportions as the war progressed. To take certain extreme cases, the rate in 1943 was 45 per cent in the Department of Munitions and Supply, 44 per cent in the Wartime Prices and Trade Board, and 28 per cent in the Unemployment Insurance Commission. The rate was highest among the women in the lower salary brackets, but part of the explanation lay in the temporary character of the positions. Various efforts were made to cope with this turnover, such as the granting of high selective service priority ratings and the "freezing" of persons to their public service positions. In the latter case permission would be given to secure employment in some industry with high priority or to enlist in the armed forces. "Poaching" by one department on another, especially practiced in an aggravated form during the early part of the war by the military departments, was subjected to sharp restraints (P.C. 6/4937 [July 9, 1941]).

With the considerable opportunities for employment which existed in wartime, it was to be expected that the regular charges of patronage and favoritism in making appointments in the public service would be heard with less frequency. The House of Commons was the occasional forum for the usual demands by French Canadians for more adequate representation on the civil service rolls, but these demands were not voiced with the accustomed vigor and they diminished in number during the later stages of the war. Partisan influences undoubtedly existed, but it is probable that "departmental favoritism" was the more characteristic wartime phenomenon. Especially in the case of technical posts where the demand far exceeded the supply of competent persons was there inducement for officials who recommended appointments and promotions to be influenced by

personal and "departmental" considerations without much check by the commission.

The process of recruitment in wartime necessitated a new attention to security considerations. The investigations of applicants were placed in the hands of the Royal Canadian Mounted Police, to which the Civil Service Commission began acknowledging its indebtedness in its report for 1941.

Despite these and other added duties, the Royal Canadian Mounted Police, which has its own separate system of recruitment for its uniformed personnel, was unable after 1939 to secure any large number of recruits, partly because of an unwillingness to compete with the armed forces.<sup>1</sup> With the ever increasing pressure on the mounted police, however, a personnel section has been recently established and charged with interviewing, examining, and selecting candidates.

#### *Employment Conditions*

A PICTURE of the wartime developments in the economic status of public employees involves consideration of basic salary scales, increases in pay, bonuses, special allowances, reclassifications, superannuation rights, and other matters. The following is only a general outline of the major developments.

There has always been a wide range in the compensation paid both permanent and temporary employees in the different departments in Canada. This range extended in 1945 from \$720 per year (exclusive of bonus) for unskilled grade one clerks and filing clerks to \$10,000 and \$12,000 per year for deputy ministers. However, according to the *Canada Year Book*, the average salary

<sup>1</sup> The strength of the "uniformed section" of the force had increased only 11 per cent between March 31, 1939, and March 31, 1944, when it numbered 2,868. At that time, its "total strength" consisted of 4,470 persons. In addition there were 248 "employed" civilians and 452 "civil servants," making a "grand total" of 5,170 persons on its pay roll (*Report of the Royal Canadian Mounted Police*, 1944, pp. 11-13).

of the 29,343 permanent civil service employees officially listed in March, 1944, was around \$2,057 per year, and the average salary of the 83,315 temporary employees was considerably less.

In May, 1940, the Governor in Council, as a part of its efforts to avoid inflationary pressures, ordered that "no increase in compensation be authorized for any officer, clerk or employee employed on the normal staff" except under special conditions (P.C. 32/1905 [May 10, 1940]). At the same time the order outlined the procedure under which increases might be granted to temporary employees. Also the percentage of permanent employees relative to the total number of employees for each department and agency was rigidly fixed. The net effect of this order was practically to "freeze" the number and salaries of permanent employees in each department and agency. As a result of mounting employee criticism of salary conditions, provision was made in August, 1941, for granting a bonus to employees receiving less than \$2,100. The amount of the bonus, which was to be adjusted to rises in the cost-of-living index, was originally fixed at 11 per cent of the salary. The ceiling was fixed at \$2,100. In August, 1942, the bonus was increased to 17 per cent. In April, 1943, employees receiving salaries between \$2,100 and \$3,000 were granted a bonus of 6 per cent on the ground that persons in these salary brackets could not be expected to absorb the increases in the cost-of-living index above 11 per cent. In addition, several adjustments in basic rates of pay were granted during the six war years, notably to certain classes of employees in the Postal and Customs services. Annual increases were granted or restored for some temporary employees beginning in November, 1943 (P.C. 194/8855 [Nov. 17, 1943]). Promotions were continued during the war for permanent employees when positions were vacated through death, retirement, resignation, or other causes; in 1944 there were 1,275

certificates of promotion.

To compensate permanent employees who had been charged with increased responsibilities, "war duties supplements" were introduced. They eventually ranged from \$60 to \$1,000 and were originally limited to service units which the Treasury Board designated as being engaged exclusively in war work. Later these supplements were made available to some employees in the departments of Finance, External Affairs, and Trade and Commerce. Thus the rigidity of the rule adopted early in the war prohibiting the reclassification of any but temporary positions was somewhat softened.

Despite these special arrangements, however, one of the most frequently voiced criticisms was directed by the employees against the orders which fixed the rigid quota system and which prohibited the reclassification of permanents. In certain of these criticisms the Civil Service Commission joined. As a result, the whole system of reclassifications, annual increases, bonuses, and war duties supplements has been under constant review. Finally, in 1945 the Minister of Finance and the Treasury Board made some concessions and indicated a willingness to admit other changes in the future.

In addition to their concern over basic wage rates, the public employees have been keenly interested in their superannuation rights and in reserves provided for them. Temporary employees had 5 per cent deducted from their salaries, or 4 per cent if they were covered by the Unemployment Insurance Act, in order to build up a reserve for them when the demobilization period began. These deductions plus interest were to be paid the employees when they left the service. This action was taken in order to avoid the conditions which existed at the end of the World War I, when many temporaries were released in a destitute condition.

The present superannuation system was

inaugurated by a statute enacted in 1924.<sup>1</sup> This act, as amended in 1927, 1940, and 1944,<sup>2</sup> provides for a contributory system, wherein the employees normally contribute 5 per cent of their salary. The amount of return to the contributor and dependents depends upon a number of factors such as the number of contributions made. A maximum return to 70 per cent of the contributor's "average salary" is possible. Retirement is normally compulsory at the age of 70. The various changes which have been made in the system during the war years have been designed to broaden the coverage and to increase the returns without jeopardizing any previously acquired rights. This was true of the amendments of 1940, which altered the rate of contributions for certain new contributors to the fund, and those of 1944, which permitted both "old permanents," not already covered, and permanently employed "prevailing rates" employees to be included. These amendments also guaranteed a "minimum return" whereby persons contributing to the fund would receive on leaving the service at least the amount which they contributed to the fund. With various types of contributors, contributions, and benefits, the result is an extraordinarily complex superannuation system.

Some of the special benefits granted the civil servants, such as provisions for leave, were continued, though the arrangements regarding their enjoyment were altered and made less flexible. No set policy was adopted for overtime payments, but some departments permitted accumulated overtime to be taken off at some later date. In general, no extra compensation was paid. The working hours were increased from a minimum of 36½ hours per week to 41½ hours. In the early part of 1945 approximately fifty-five thousand temporary em-

ployees receiving \$2,400 a year or less were contributing under the Unemployment Insurance Act and were entitled to its benefits. In addition, there were various types of special allowances and benefits.

Table 1 indicates in outline form the economic status of temporary and permanent employees as of July 1, 1944. Though the cost-of-living index had risen some 18 per cent between August, 1939, and April, 1945, the adjustments in the lower income brackets prevented the real wages of these employees from suffering greatly. However, the initial inadequacies of these salaries, bonuses, and allowances created continual problems and contributed heavily to the rapid turnover of personnel. The greatest proportional drop in real wages occurred in the case of the permanents who were receiving a salary of over \$3,000 per year and who were not recipients of wartime supplements.

#### *The Civil Servants Associations*

IN 1939 there were several national organizations of dominion government employees, of which the four most important were the Civil Service Federation of Canada, with a reported membership of 12,804 in 1941 and 28,285 in 1943; the Amalgamated Civil Servants of Canada, with a reported membership of 4,900 in 1941 and 5,980 in 1943; the Professional Institute of Civil Service, with a reported membership of 1,398 in 1941 and 1,575 in 1943; and the Canadian's Postmasters' Association, with a reported membership of approximately 5,500 in 1941 and 5,000 in 1943.

The civil servant organizations represented the interests and demands of their membership in various ways. Most frequent were the regular representations made to departmental officials, ministers, and the Civil Service Commission when specific complaints were registered and proposed changes in employment conditions were presented. The civil service associations

<sup>1</sup>Revised Statutes of Canada, 1927, c. 24.

<sup>2</sup>An excellent and detailed discussion of these changes may be found in "Superannuation Analyzed," *Civil Service Review* 256-70, 274 (Autumn, 1944).

furnished members chosen by the appellants to serve, along with representatives of the Civil Service Commission and of the departments concerned, on the appeal boards which heard appeals from civil servants passed over for promotion. The reactions of officials of the civil servant associations to these appeal boards have

stitution was replaced by a permanent constitution. This body, which is modeled closely after the British National Whitley Council, provides for equal representation of the official and staff sides. The ten representatives of the staff side are chosen from specifically designated civil servant organizations. The National Joint Council is

TABLE 1. SALARIES OF TEMPORARY EMPLOYEES\* (NON-HOUSEHOLDERS) EFFECTIVE JULY 1, 1944

Class	Income			Total Monthly Income	Deductions			Net Salary
	Basic Salary <sup>b</sup>	Cost of Living Bonus <sup>c</sup>	Special Allowance		Retirement Fund <sup>d</sup>	Unemployment Insurance <sup>e</sup>	Income Tax	
Grade 1 (with allowances)	\$ 60.00	\$10.20	\$5.00	\$ 75.20	\$ 2.40	\$1.04	\$ 5.35	\$ 66.41
Grade 1-A ....	75.00	12.75	...	87.75	3.00	1.30	8.30	75.15
Grade 2 ....	90.00	15.30	...	105.30	3.60	1.30	13.45	86.95
Grade 2-A ....	100.00	17.00	...	117.00	4.00	1.56	16.50	94.94
Grade 3 ....	115.00	18.42	...	133.42	4.60	1.56	21.85	105.41
Grade 4 ....	135.00	18.42	...	153.42	5.40	1.56	29.90	116.56
Other rates <sup>f</sup> ...	180.00	6.51	...	186.51	7.30	1.56	41.35	136.40
	250.00	...	...	250.00	12.50	...	65.25	172.25

\* This table can be applied to permanent employees at the same salary rates by substituting, for retirement and unemployment insurance deductions, superannuation deduction of 5 per cent (5½ per cent or 6 per cent in certain cases). (The table has been copied, with omissions and adaptations, from the Wartime Information Board, *The Civil Service Commission, Reference Paper No. 32, 1944*, [pp. 18-19].)

<sup>b</sup> The minimum salary for each class has been taken.

<sup>c</sup> Represents 17 per cent of basic salary. Employees with annual salary of \$3,000 or above received no bonus.

<sup>d</sup> Deductions are made at the rate of 5 per cent of the basic salary only (exclusive of bonus or special allowances) except when the employee is paying unemployment insurance, in which case the retirement fund deduction is 4 per cent.

<sup>e</sup> Deductions are taken from salaries of temporary employees over 16 years of age who have been appointed since September 3, 1939, and who earn \$2,400 or less per year.

<sup>f</sup> Showing where changes in bonus and unemployment insurance are involved.

varied, though they have been generally favorable. The Advisory Committee on the Civil Service Superannuation Act, originally established in 1928 to advise the Treasury Board on superannuation matters, was reorganized in 1944 after a period of inactivity. This committee includes representatives of several of the civil servant organizations. At the recent postal conference, which was participated in by the chief officials of the Post Office Department, the various associations of postal employees were heavily represented.

The most important development involving the official recognition of the civil servant organizations occurred in May, 1944, when a tentative constitution for a National Joint Council for Canada was provided for by an order in council (P.C. 3676). In March, 1945, this tentative con-

tinued not as an authoritative administrative organ but rather as a body for discussion, recommendation, and conciliation. Its creation represents, however, some additional official recognition of the civil servant associations, whose influence, though still limited, has been gradually increasing.

#### Postwar Demobilization

THE future of dominion public employment depends upon the entire demobilization program and the future economic policy of Canada. The steps taken by the Canadian government to plan for the post-war period include the creation in 1944 of a Department of Reconstruction. This new department was vaguely charged with co-ordinating "the actions of the other departments for the purpose of ensuring that the transition from a wartime to a peace-

time economy shall be effected as quickly and as smoothly as possible," with formulating "plans for industrial development and conversion," and with preparing a program to facilitate the return of employees in war industry and members of the armed services to civil life. The proposals of this department and of other governmental agencies are now in the realm of active discussion and much less active implementation. Though lacking any precision at this stage, the efforts of the King Government to secure a "high and stable level of income and employment" call for the maximum encouragement of private industry rather than of governmental enterprise. At the same time, the government has not made it clear just how many public employees will be needed when the war agencies have been finally dismantled.

The most carefully and thoroughly worked out plans are concerned with the treatment of veterans. The veterans who were previously employed in the public service have been guaranteed their former positions plus accrued rights, such as those of seniority, superannuation, and statutory increases. They were eligible for promotion during their absence. For purposes of making official recommendations for the release from the armed forces of persons whose services were desired for employment by a governmental department, agency, or commission, a Government Services Selection and Release Committee consisting of representatives of several departments and acting under the chairmanship of the representative from the Civil Service Commission was set up in 1945 (P.C. 4644 [June 28, 1945]).

In matters of recruitment the general system of veteran preference is based on Sections 29 and 30 of the Civil Service Act. This scheme as now applied calls for the ranking of veterans who had overseas service prior to a certain date, and who pass prescribed examinations, above all civilians who pass, regardless of the marks of the

veteran (P.C. 20/6173 [Sept. 21, 1945]). This system stands in contrast to the point system used in the United States, under which a specified number of points is added to the examination totals for veterans, and to the quota system used in England, under which a certain percentage of available positions is reserved for veterans. In a number of cases, as in the home and foreign services of the Department of External Affairs and in the commercial intelligence service of the Department of Trade and Commerce, recruitment is confined exclusively to persons entitled to preference for overseas service.

If there have been some difficulties in providing for the returning veteran, the complementary task of arranging for the orderly release of civilian employees has been more trying. Better provisions have been made for them than in 1918, however, and the released temporaries have at least those sums which had been built up through deductions from their salaries. As indicated above, many were also entitled to unemployment compensation. The Civil Service Commission issued several circulars which prescribed the following general order of priorities in issuing releases: (1) persons whose services are not wholly satisfactory; (2) persons who are ready to accept retirement; (3) casual part-time employees; (4) persons above the normal retirement age; (5) married women not dependent upon themselves for support; (6) other employees not entitled to the veterans' preference; (7) employees entitled to the veterans' preference; (8) employees entitled to the special veterans' preference for disabled cases. At a later date the commission sent circular letters to the deputy heads of departments indicating the necessity of speedy action in releasing temporaries in sufficient numbers to make positions available for the released veterans. It is obvious that this process of replacement is not taking place without friction and criticism.

In addition to these plans for the release of civilian employees, the commission made a number of recommendations in its reports for 1943 and 1944 for changes in the civil service. While some of these reflect wartime conditions, they all have significance for the postwar period. These recommendations call for increases in the salaries of professional and technical classes, extension of the coverage for a full cost-of-living bonus, standardization of regulations dealing with overtime work, the abolition of the "quota system" for the departments, and more careful provision for the health, working conditions, and training of employees.

Currently the civil servant associations accept most or all of the proposals of the commission and build on them; in fact, the recommendations of the commission constitute a sort of lowest common denominator of agreement among the associations. The Civil Service Association of Ottawa favors a suspension of the wartime restrictions as soon as possible. It considers the most urgent postwar problems to be those of providing for a restoration of reclassifications, the adequate treatment of permanents who have been on loan to war departments and who are now returning to their former positions, a more satisfactory procedure in the release of temporaries, and the restoration of pre-war hours of work. It also hopes to see an increase in the jurisdiction of the appeal boards, the establishment of departmental employer-employee committees, the inclusion of all government employees under the Civil Service Act, and the institution of in-service training programs. The Amalgamated Civil Servants has proposed the fixing of a minimum salary of \$100 per month, excluding cost-of-living bonus, for all full-time adult employees and eventually a six-hour day and a five-day week. In short, the civil service associations continue to demand what they have sought in the past—higher wages, improved working conditions, shorter hours, and greater security. Their present pro-

grams are merely six notches beyond 1939.

Some limited concessions were made in 1945 by the government to the most recent commission recommendations and civil servant association demands. These included some additional salary adjustments, extension of the war duties supplements, restoration of statutory increases to persons with salaries of over \$3,000, and a loosening of some of the barriers to reclassification. These have all been piecemeal measures.

A more complete step in the return to "normalcy" occurred when in the fall of 1945 the hours of work of full-time employees were reduced to a minimum of 36½ hours per week, with 6½ hours as the normal work day except on Saturdays. Furthermore, the comment by a veteran Ottawa correspondent that "special committees are likely to be named next year to inquire into the operations of the Civil Service Act"<sup>1</sup> has a peculiarly peacetime ring. However, the end of 1945 saw the bulk of the wartime regulations in force and the main features of the emergency wartime employment system still in effect.

### Conclusion

**I**N RETROSPECT, during the war efficiency was sacrificed for speed, quantity was often stressed instead of quality, and safeguards against abuses and favoritism had to be relaxed to meet emergency demands. The problem of the French Canadian in the public service and some other problems were not as acute as under pre-war conditions, but many new ones created by the war had to be faced. Nevertheless, mobilization of the Canadian civil service for the war effort was one of the most creditable achievements during the years 1939-45. For this performance the chief credit must go to the Civil Service Commission. This aspect of the Canadian war effort compares favorably with the American record. The

<sup>1</sup> J. A. Hume, "Parliament and the People," *The Evening Citizen*, December 19, 1945, p. 7.

employees made a few advances during the war, but generally speaking their efforts were directed to holding their pre-war gains. Their collective bargaining position appears stronger today than in 1939, and the considerably enlarged and better organized body of civil servants, buttressed by added trade-union support, could become a more important political factor in the future.

The short-range plans for demobilization, such as those involving the release of temporary employees and the reinstatement

of veterans on leave, are more nearly perfected than they were in 1918. However, there appears to be no clearly definable long-range plan for the public service, because at present there is no consistent or fully formulated plan for Canada's economic demobilization. The future of the civil service will hinge to a large extent on the nature of these plans. In any case, the problem of providing both the incentive and organization for a "responsible bureaucracy" during the years ahead leaves much room for future exploration.

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The Government have been considering what measures should be taken for recruitment to the Civil Service in the immediate post-war period. During the war there has been very little recruitment to the established Service. All open competitive examinations have been suspended. There are at present 215,000 established civil servants (plus a further 70,000 absent on war service) and many of these are already at or over normal retiring age. The number of established civil servants in April 1939, was 290,000. As a result, the number of serving established civil servants will be a good deal smaller at the end of the war than it was at the beginning. Whatever form our economy may take after the war, it seems reasonably certain that the complexity of administration will, at any rate for many years, be greater than it was before the war. The established Civil Service will need the substantial reinforcement of a steady flow of young recruits of good educational standards, who will be available to help with the many and difficult problems of reconstruction, and to provide an experienced body of qualified staff in the years to come. After the last war recruitment by open competitive examinations was not resumed until 1925 for the general Administrative class, 1928 for the general Executive class, and 1927 for the general Clerical class. After this war, however, it should be an immediate objective, in the Government's view, to resume normal competitions, at the earliest possible moment, and thus to recruit properly qualified personnel at ages appropriate to entry on a permanent career.

It is the Government's intention that, after the war, everything possible shall be done to assist the establishment in careers of those who have missed their normal opportunity of achieving this as a result of the war, or of their own war service. It appears to the Government only equitable, so far as the Civil Service is concerned, that the main source of recruits in the immediate post-war period should be from those who would have had an opportunity of competing for the Service in the normal course, but for the interruption of the war. For the Administrative, Executive and Clerical classes, this will mean, generally speaking, those who have gone into some form of war service straight from school or university. Recruitment by open competition from this source under conditions which will allow for the interruption of the candidates' education, and concurrent resumption of the normal competitions, will serve very well the main object of securing a steady flow of appropriately qualified personnel during the reconstruction period. Every care must be taken, in making the necessary administrative arrangements, to ensure that men and women who have been with the Forces during the war should be at no disadvantage in competing with civilians, either as a result of the particular form their war service may have taken, or because their demobilization may, in some cases, take place rather late. Any arrangements made for recruitment to the Civil Service immediately after the war should ensure that generous treatment is given to suitable candidates from the Forces. During the whole of the reconstruction period, the work of the Civil Service must be carried on, probably under very severe pressure. The Government consider that arrangements will be needed for the retention of some of the existing temporary staff who are too old to be eligible for the open competitions, particularly staff who have shown special aptitude for the work of administration and who have acquired valuable experience of the Government service. No temporary staff should, however, be retained in the Civil Service unless their quality is sufficiently high and their retention plainly in the public interest.—From "Statement Made by the Chancellor of the Exchequer in the House of Commons on the 17th February, 1944," included in *Recruitment to Established Posts in the Civil Service During the Reconstruction Period*, Cmd. 6567 (H.M. Stationery Office, 1944), pp. 22-23.

# Civil Service Reform in France

A Letter from M. SEYDOUX

FONDATION NATIONALE DES SCIENCES POLITIQUES  
27, RUE SAINT-GUILAUME, 27  
PARIS

29 March 1946

DEAR SIR:

I have just learned of the article of Mr. Frederick Gutheim, "Civil Service Reform in France," published in the Autumn, 1945, number of *Public Administration Review*.

Will you kindly permit me to correct certain points in it and to complete others?

The former Ecole Libre des Sciences Politiques, to which he alludes in this article, was never financed by the Comité des Forges or by any other similar organization. It was founded in 1871 by Emile Boutmy in the form of a joint stock company whose very modest initial capital (250,000 francs) was placed in a trust fund by its shareholders, who were prohibited by the statutes of the Ecole from receiving any dividends for their contributions. In addition to these initial funds the Ecole Libre des Sciences Politiques never had any resources other than the tuition fees paid by its students. Free in relationship to the state, which did not subsidize it, it was equally free in relationship to industrial and financial enterprises, from which it never received the slightest assistance.

The shortcoming in this arrangement was that, except for students exempted from the payment of tuition fees, who until after the first World War were not very numerous, the students of the Ecole Libre des Sciences Politiques for a long time belonged almost exclusively to the well-to-do bourgeoisie. But the administration of the Ecole sought to remedy this state of affairs by cre-

NOTE: Translation from the original French.

ating, several years before the second World War, the Fondation Emile Boutmy, endowed with a substantial sum which was used to provide meritorious students with few funds the means of taking the courses at the Ecole Libre des Sciences Politiques not only without paying tuition fees but with the additional benefit of maintenance funds which furnished them room and board at the Cité Universitaire.

This change no longer has more than historical interest: following the reform of the civil service and the teaching of political science, as a result of the law of October 9, 1945, the former Ecole Libre agreed to being dissolved and to turning over all of its assets (real estate, library, etc.) to an entity created by the state, the Fondation Nationale des Sciences Politiques.

It is on the subject of the organization and purpose of this Fondation that the article of Mr. Gutheim (written no doubt before its creation) calls for some additional information.

The Fondation des Sciences Politiques is organized as a corporation and directed by a council on which are represented higher education, the Centre National de la Recherche Scientifique, the principal state agencies, the Ecole Nationale d'Administration, the Institut d'Etudes Politiques de Paris, the workers, agricultural, and employer syndicates, and institutions that have given it funds. Its purpose is to promote the progress, dissemination, and teaching of political science.

To this end it has already concluded two agreements—one with the University of Paris, which has entrusted it for fifteen years with the administration of the Institut d'Etudes Politiques, controlled by the state,

which has replaced the former Ecole Libre; the other with the new Ecole Nationale d'Administration, whose students are selected through competitive examination and are destined to occupy high administrative posts to which they are recruited through special examinations. The Institut d'Etudes Politiques and the Ecole Nationale d'Administration have both been functioning for several months on the premises of the Fondation, 27, Rue St-Guillaume, in Paris. Their students use its library and its Service de Documentation.

Along parallel lines, the Fondation des Sciences Politiques, in order to further scientific research, is organizing specialized study centers. One of these, which has been in operation for several months, is devoted to Soviet questions. A second, designed to systematize the scientific study of internal politics, has just begun its work. Others will be in operation next year.

Finally, the Fondation is going to publish, beginning in April, a monthly analytical bulletin of political, economic, and social documentation and a little later a quarterly review of political studies.

Thus, notable progress will be realized in the coordination of teaching and research in political science, as a result of the collaboration of representatives of the state, of the university, and of the former Ecole Libre des Sciences Politiques, to which the law of October 9, 1945, published in the *Journal of October 10, 1945*, in its statement of purpose, paid tribute in the following words: "The directors of the Ecole des Sciences Politiques, who have always had in

view the good of the country, have served the general interest well in transmitting to the Fondation which the state has established an intellectual and material heritage of great value."

The former Ecole des Sciences Politiques had numerous students from abroad, and notably Americans. I should like, in closing this letter, to say that such students will always have their place in the new institutions that have replaced it. The Institut d'Etudes Politiques, alongside its section destined especially for candidates of the Ecole Nationale d'Administration, has created a second section designed especially for young persons of foreign birth who desire to follow in France their studies of political, economic, and social sciences.

As for the Fondation des Sciences Politiques, it expects to devote a part of its efforts to furthering contacts between French and foreign scholars, so necessary for the exchange of information and the progress of science.

I should be very grateful to you if you will publish this letter in the *Public Administration Review*. I hope, indeed, that your readers may thus learn the major outlines of the reform that has been effectively realized in France since the writing of Mr. Gutheim's article.

Kindly accept, sir, the assurance of my very distinguished sentiments.

ROGER SEYDOUX

*Administrateur de la Fondation Nationale*

*des Sciences Politiques*

*Directeur de l'Institut d'Etudes Politiques*

*de l'Université de Paris*

## Excerpts from Three Letters from Abraham Bradley to Timothy Pickering, Postmaster General, 1791-92

IT is the third of these letters alone which may have a professional interest to the readers of *Public Administration Review*. The first two, however, possess a certain charm of their own, and make clear the considerations that led the poor but ambitious school teacher to seek a post-office clerkship rather than to become a Pennsylvania farmer. The third letter was written while Bradley was walking home from Philadelphia to Wilkes-Barre. Copies of the originals were found by Leonard D. White in the collection of Pickering Papers in the Massachusetts Historical Society, Vol. 41, pp. 33, 37, 80.

WILKESBARRE

November 6<sup>th</sup> AD 1791

DEAR SIR

As to marriage, my finances are too low at present, to engage in it. Very little money is necessary here to [be] sure, but that little, neither I nor miss Smith the person, I suppose you allude to are possessed of.—I indeed think she is [a] very amiable girl; altho' I should wish her to be better read & more used to polite society: but on that account perhaps she is not the less suited to this place. I have visited her almost every sunday evening, but as it grows cold & I shall keep school, I shall not visit. I believe only once & now & then on saturday evening. By the next fall when I receive my salary, I shall endeavour to get a wife.

[Dec. 9, 1791]

DEAR SIR

How our fancies & whims turn us; by my last I wrote you I was too poor to think of marrying, by this you are informed I am married. And yet I am not a farthing richer nor like to be. The nights are something colder, and yet, the cause is not removed for I do not live with my wife. A lazy citizen would think a man gained little ease by marrying if he was obliged to walk three miles in the evening to sleep

with his wife & to walk it back again in the morning soon enough to rest himself and teach a school. . . .

BETHLEHEM

August 26<sup>th</sup> AD 1792

DEAR SIR

If M<sup>r</sup> Wetmore resigns I suppose you will appoint M<sup>r</sup> Burrall assistant; if you should, & you think I am competent to discharge the duties of a clerk, you would do me a very great kindness in giving me the place. When I was in the city I enquired & computed the various expences of house hire, food & cloathing & found that the salary would leave one or two hundred dollars after paying all that were necessary. My wife in the country does all our washing, cooking, tailoring & hairdressing, besides spinning & knitting stockings: was she in the city her duty would be much easier if she had no assistance, for spinning & bakeing would be entirely out of the way; & she would have better utensils for performing the other parts. I had tho'ts of proposing the subject to you when I was in the city, but you had done me so many kindnesses, & it looked so much like begging of offices I thot to try to live without rather than ask. But when I was on my journey I began to consider what things were necessary & how I should procure them if I turned farmer: that I must build something of a house, a barn, fences [.] that there were oxen & ploughs, a cart, shed, hoes axes &c &c. to be procured, & that I had not wherewithal to procure one article I began to think it was only asking for employment, which every one was bound modestly to do rather than suffer. If any person wishes the place who is better qualified for it than it is probable I should be after a month or two's service, I have nothing to say. I must ask pardon for the hurry & confusion of this letter. I came but 34 miles yesterday, & I must either get home or lodge in the swamp tomorrow night. My respects to M<sup>r</sup> Pickering & Miss Betsy.

I am sir, etc.

ABRAHAM BRADLEY

# Reviews of Books and Documents

## The Long Road to Profession

By Gordon R. Clapp, Tennessee Valley Authority

RESEARCH IN PUBLIC ADMINISTRATION, by WILLIAM ANDERSON and JOHN M. GAUS. Committee on Public Administration, Social Science Research Council, Studies in Administration, Vol. XIII. Public Administration Service, 1945. Pp. xiv, 221. \$3.00.

THIS is a blurb; it is not a review. The *Public Administration Review* is not the place for a capsule version of the Anderson-Gaus reports. That would encourage too many to believe they can excuse themselves from reading the reports. Anderson and Gaus have recorded a thoughtful history and commentary on the un-neat course that has been pursued and must be continued by many students, investigators, and administrators if public administration is ever to become a profession, or—to paraphrase Gaus's paraphrase of Charles Beard—if administration is to be accepted as a public instrument whereby democratic society may be more completely realized.

This small and unpretentious volume consists of two parts. The first part is the report of the Committee on Public Administration of the Social Science Research Council by the committee chairman, William Anderson. It covers the activities of the committee for the period 1934-45. John M. Gaus writes the second part, "Research in Public Administration, 1930-1945." This is supplemented by a choice selection of excerpts from correspondence from various unidentified researchers, students, and practitioners of public administration whose comments are reflected in Gaus's observations and judgments.

Anderson says in the Introduction that his report "was written not primarily for general publication but rather for the careful study of a select group of leaders in the social sciences and in public administration" (p. xii). The reports should have a much wider reading than the authors too modestly expect. In this little volume can be found challenging definitions

of the unrealized objectives of the many who are in public administration for the simple reason that they want to be there and have sufficient competence to do more than survive the rigorous and thickening authoritarian climate that pervades the place. These definitions of objectives cannot be found in the back of the book. They are implied throughout and must be distilled from the unexciting accounts of this or that research project in which the Committee on Public Administration and many others had a hand. For public administrators and their more fundamental brethren in the social sciences, the authors suggest the road to profession. They imply that it lies along the route of a self-conscious process of perfecting a craft with a growing knowledge and understanding of the setting—physical, social, economic, political, and all else—within which acquired skills are applied, and how and at what points they are applied and to what ends.

But you'll have to read Anderson and Gaus to see what I mean. You can get a pretty good idea by studying the table of contents. Let's scan it quickly. Anderson's report describes the "major research projects" carried on under the auspices of the Committee on Public Administration between 1935 and 1945. Among them are the studies of the national and state administrative aspects of the social security program, the survey and appraisal of city management under the council-manager plan, the inquiries into the governmental research movement, the study of public administration and the United States Department of Agriculture, and the survey of education for public administration. There is a brief section about the interesting experience of the committee, its staff, and the scholars who ventured the delicate assignment to "capture and record administrative experiences"—to write history while it was being made. The idea behind the

project to develop and publish case reports in public administration is described at some length, and the results are subjected to careful analysis by Anderson.

Some of the special methods the committee used to shape a program of research, such as the selection of pilot and collaborative studies to explore and block out promising areas and techniques of investigation and the development of research outlines in selected subject matters, are described briefly under the heading, "General Planning and Promotion of Research." This section also describes the work scheme of the committees on Administrative Law and Comparative Administration and Administrative History and the activities of the parent committee's secretariat.

One section describes the committee's use of conferences of selected persons brought together to aid the committee in planning and promoting research, to bring students, scholars, and practitioners together for an exchange of views, to create a neutral atmosphere for discussion among officials from different governmental agencies, and for other purposes.

The committee's household, its offices, finances, staff, and inner works get brief but informative mention. A modest evaluation of the services and influence of the committee to and among scholars, administrators, government, and its sponsor, the Social Science Research Council, is included. The report closes with recommendations for a postwar research program in public administration.

Gaus divides his contribution into two parts: (1) the changes in the setting of public administration from 1930 to 1944 and (2) the tasks that lie ahead.

Gaus speaks of "the confused citizen." The citizen is straining "to absorb, assimilate, understand, and profit from" the rapid extension and expansion of governmental activities stimulated first by a depression and later by a war. He says, "We see perhaps . . . how slow the process of absorbing and appraising new experiences can be" (p. 121). But if the citizen is confused, what about us? Perhaps we are not too clear in our own minds whether and how administration can be made to serve the fruition of a democratic society. The Anderson-Gaus reports help to define the areas of confusion among us and to point the way to evolv-

ing clarification in the years ahead. What they have to say on this will lead you to the nearest notary for a renewal of your vow "to advance the science, processes, and art of public administration."

If the items listed do not arouse enough interest in you to read what Anderson and Gaus have written, then I venture the opinion that not even the "processes," to say nothing of the "art," and certainly not the sometime "science" of administration have any professional appeal to you. If this small volume appeals only to the sense of duty among "a select group of leaders in the social sciences and in public administration" there is more road ahead of us than even the Committee on Public Administration has dreamed of.

The period covered by these reports, a period that experienced a depression and a war, has added tremendous responsibility and power to administration. Perhaps too much of the layman's impression of what this trend has done to administrators is based upon the books or speeches he reads glorifying the growth and increased efficiency of the central government. As citizens we may be witnessing the tragedy of the wrong thing being done too well. The explanations of the manageability of bigger and better governments, essential and useful as these explanations are, may soothe some of the troubled citizens who see themselves getting smaller and shrinking in importance vis-à-vis the bumptious bureaus and departments in Washington. But these appealing explanations of the feasibility of an intricately staffed central administration applied across the board to the problems of a fast-moving society may encourage a strange uneasiness. And part of the uneasiness may be traced to a strong suspicion that administration is overreaching itself *without inner qualms*. Some of this uneasiness would be dispelled if the public knew more about what administration is doing to define itself in relation to society and to search its own soul.

It is unfortunate that the laborious process of critical self-examination recited in the Anderson-Gaus reports will not reach the layman. The story of research, unless it promises profits to industry, the power to kill in war, or the restoration of a waning manhood, has a hard time finding readers.

A dignified degree of intellectual humility—a bit of honest, professional, and public self-examination—among practitioners will influence public acceptance of professional administration. There is no substitute for the kind and quality of knowledge drawn from endless and systematic observation and analyses. This book is important evidence that this is recognized within the family. It will take a long time and many different devices of interpretation to convince the public that those who administer the growing powers delegated to government are interested in discovering remedies for their limitations.

Does the remedy lie in teaching more public administration? Gaus seconds the warning sounded by George Graham that "we are probably teaching more than we know." What can be done about it? Study the comments of Anderson and Gaus and it may start a train of thought that leads in the right direction. Gaus, for example: "I judge that we are likely to see more attention to substantive or policy problems, supplementing that on the managerial or more technical aspects of administration" (p. 158). This is a suggestion, if I read it right, that managerial techniques are to the administrator what nerve and manipulative skill are to the surgeon. His science encompasses the functions of the human body and the biology of living tissue and a constant search for understanding of the complex interrelationships among all parts of the whole. The sciences behind the medical practitioner have been hammered out of centuries of experiment, discovery, and systematic observation. Can we achieve a parallel concept and content in administration? We can try. We can anchor ourselves more firmly in slowly growing social science. We can understand better whether we have made a beginning if we ponder over the contents of *Research in Public Administration*.

#### More about teaching from Gaus:

Maybe we have unhappily left out of our conception of the student some awareness of his dependence on, and his relation to, his physical and social environment and of the obligation that rests upon him for informed participation in the institutions by means of which men relate themselves to their environment. It may well be that it is precisely this challenging experience offered to the field of public administration in our universities in the past fifteen years that may supply the means for

reappraising fundamental assumptions in political theory, comparative government, and political science generally, which we had been handing along perhaps too conventionally to small numbers of students in the past twenty years. If there is a contribution to be made out of this experience, I would be the first to admit that those of us in public administration have the major responsibility for initiating and developing it [p. 156].

Add to this an excerpt from the study by Gaus and Wolcott on the United States Department of Agriculture which appears in a footnote in Gaus's present report: "We know too little of the resources and problems of our own communities and regions and introduce our students to them too infrequently" (p. 158). There is more, much more in the comments of both Anderson and Gaus to stimulate fresh thinking about what administrators should know. Between the lines perhaps we can see how to escape from a pseudoprofessionalism fostered by authoritarian substitutes for experiential sobriety.

There is a myth about administration and administrators which stands as a barrier on the road to profession. Anderson touches upon it in his analysis of the deficiencies and the promise of the case report in public administration. The "capture and record" studies were an attempt to begin to identify this myth. To identify it and to substitute a teachable understanding of the probable truth will require much investigation and interpretation of the inner mental processes of administrators. The myth is something like this: the uninitiated, whether he be a skilled logician or a superficial observer, almost always credits the administrator with superior intuition when he observes that his judgment of situations is more frequently right than wrong—as demonstrated by the results. Intuition it may be (properly defined). But it cannot be successfully emulated by the uninitiated; intuition and good judgment come out of an understanding of the multitude of intricacies in the substance of policy, in human relationships, in the interrelationships of functional thinking of staff, mechanics of process, etc. One may attempt to explain an intuitive judgment by describing analytically the factors that flow through the mind and arrange and evaluate themselves at the moment of judgment. But the uninitiated is unimpressed by what he may call "a too finely reasoned" analysis which

he suspects assumes more knowledge of human beings than human understanding is capable of. He therefore concludes that judgments in administration are mere opinions, hunches, backed by authority. If the hunches are good you have a good administrator. So goes the myth.

We need more, not fewer, finely reasoned analyses to move us along the road to a science of administration. The "hunch" device can be devastatingly unreliable. It can be worse than unreliable when it is used to assert a personal importance to the role of leadership. It is a manifestation of the worst kind of administration. Whether the authoritarian hunch proves to be right or wrong is immaterial. The "hunch" has its place in administration, if it is a product of carefully and consciously assimilated experience and if it is used on the residue of imponderable factors encompassed in the alternatives up for choice. But too frequently the imponderables are assumed to be such by hunch. Careful observation of mistakes and successes and a habit of disciplined inquiry and reflection can move many imponderables into the range of predictive judgment. But this process of perceptive assimilation and appraisal will more certainly produce reliable insight or intuition where the indi-

vidual administrator views himself as a vehicle through which judgments are formed—an impersonal process-center where social facts and probabilities and staff judgments merge for decision.

Progress toward a profession of public administration—or perhaps it is better to say a profession of administration—will be measured by the kind of men and women who discharge administrative responsibilities. The kind of administrators will depend upon many factors, including as not the least among them our educational system, its method, and its content, the relative stature of the scholars in the social sciences affected by what progress they are able to make from intrinsic merit as well as by the overwhelming stimulus given to the physical sciences by the demands of industry and war. Whether this last will affect the social sciences for good or bad remains to be seen. But the contest implicit in the growth of social science as the foundation for a profession of administration will be feeble unless primary emphasis is placed on research. Our use of *Research in Public Administration* as a stimulant to search for validity in our concept of a profession sometime to be achieved can be a good test of the genuineness of our aspirations.

## Governmental and Business Executives

By Wallace B. Donham, Harvard University

**THE EXECUTIVE IN ACTION**, by MARSHALL EDWARD DIMOCK. Harper & Bros., 1945. Pp. ix, 276. \$3.00.

TO ME, this book was both a pleasant experience—because I think it is an important book—and a source of considerable puzzlement and confusion. The importance of the book is that an able man, student, and teacher of public administration should have based so much concretely on observation of the administrative problems of large organizations and that he should have reported so carefully his own behavior in a wartime agency of the government of which he was in charge.

Little is reported specifically about his studies in large business organizations. These

studies, however, were undertaken as a consultant and were therefore not based on actual participation in the problems. We know neither the companies involved, nor the nature of the studies. I wish we did, for they have clearly been used as the basis for many generalizations. The special importance of the government study is that it is presented, in large measure, as a case and developed with some elaboration. Little attention is paid to the effect of war on such agencies. The book in general uses this case as illustrative material, but the internal evidence indicates that the generalizations are in part drawn from the case and in part from a far wider survey based on a study of facts and on academic work.

My confusion arises from inability to determine when generalizations are based on the case and when they result from thoughtful consideration of other administrative problems or from a teaching career outside the case. Clearly, many of the generalizations secure little direct support from the case used. Nevertheless, many conclusions are stated as general principles.

All of this bears on the use of cases. We need many more factual descriptions of concrete situations thoughtfully appraised, and we need especially to draw from these cases their apparent implications. Then we must study many comparable cases drawn from life if we are to determine limitations on the generality of these implications. Any treatise on administration which uses the results of a long study in the discussion of a particular case needs to make the dividing lines clear between the case itself with its implications and the wider experience and thought of the individual analyzing it. As Dimock uses the word "principles" the subjective universality and longtime durability associated with the word may easily lead the unwary reader into errors of judgment and action. In instance after instance, the principles stated in this book seem to me to have only limited validity as generalizations, judging from my own practical experience or from my theoretical conclusions from practical experience and studies. I shall give a few examples.

Perhaps I should start with the job of the chief executive, as Professor Dimock states it. It seems to me that the extensive task of continuous supervision which he says must be assumed by the chief executive would, in most large corporations, put the chief executive under so much pressure that he could not conceivably do that part of his job which is defined as "navigation" in the opening paragraph of the book. To me, the main job of top management in a large company is to acquire a reasonable comprehension of the surrounding social forces and their shifting nature in this rapidly changing world. This is no light job, nor can it be done with a small fraction of time or once and for all; it requires considerable leisure from direct operating problems. Much more time than this treatise allows and, I am afraid, much more than most top

executives realize must be spent in integrating the over-all intimate knowledge about their companies or organizations which they possess from past experience and can keep up with through trusted associates, first by securing an understanding of the social situation and then by paying major attention to the external and internal implications of social and human factors which affect their organizations.

There is a heavy emphasis on logic and organization in Professor Dimock's work. Logic and organization clearly have their indispensable place. After it is determined what must be attended to in the current operations of business, there is a real necessity to develop methods of organization to attack the problems involved. With competent subordinates, it does not follow that the supervision of such operations or even the working out of systems must be as time-consuming a job for the chief as we are led to believe.

Professor Dimock pays no attention to the danger that in the modern world the logic used will mainly deal with technological problems or that these technological questions will apparently have such paramount importance that men forget the importance, both inside and outside their operations, of questions which depend on human understanding, human insight, and the capacity to lead men by methods that are often not logical and are rarely logically determined in advance. Human problems lend themselves badly to neat and predetermined rules. Dimock's "navigator" is navigating, not in a placid sea, but in a hurricane of change and uncertainty. This hurricane affects not only all the social surroundings of the business but all the human problems within the business. The chief executive of one of his large corporations must be constantly aware of these things and must allow time enough not only for studying them continuously but for reflective thinking as to how his company and his immediate aims fit, or can be adjusted so that they do fit, into the changing circumstances. Too often we organize and treat only technological problems.

I do not mean that Dimock neglects other things. He is more conscious than most of the importance of social factors. I do feel that he has defined the job of the executive in action so that effective attention to such matters in

large companies is impossible. In contrast with what he states, "dynamic" action requires reflection and over-all understanding as much as it does "fact finding, planning, deliberate activity."

Dimock makes the generalization that 90 per cent of the characteristics of public government executive management are identical with those of private executive management. In spite of large areas of similarity, I strongly dissent. I would place the percentage very much lower—whether 30 per cent or 50 per cent lower, I shall not attempt to say.

I find from experience both with government agencies and with private business that there are striking differences. One of those differences is that, in government, there is more continuity and definition in the mandate. The limits of action are often clearly defined, in many cases by Congress. No such situation exists in large private business. Dimock says bureaucracies are related, for example, to size. Yet he points out some bearings on bureaucracies of the inadequacies in our federal civil service system and the conflict of loyalties which arises out of it. This, he states, he succeeded in overcoming. I have had contact with several war agencies made up mainly of businessmen. These men rapidly took on bureaucratic characteristics radically different from their own behavior in private life. The only close parallels I find in the areas of private business to the deadening effects of the present civil service are, on the one hand, what one of my old labor leaders used to call the "sonority" system and, on the other, the very real problems faced by management in dealing with labor which arise immediately out of the prolonged governmental support for organized labor—which is in my judgment bad for labor.

To me, there are multifarious forces at work in government departments which are different from those in private business; the responsibility to and necessary interference of Congress, the responsibility to the President, to defined over-all controls, have little parallel in private business. The power politics of government departments are radically different from the power politics of private companies. The existence of pipe lines into Congress strengthens the bureaucracy against the chief

executive of the particular subdivision of government. It may strengthen it against the President of the United States or Congress itself. Dimock himself points out how easily government bureaucracies develop organized opposition to policies involving change. This opposition may in substance, though not in form, sabotage all change which appears to threaten the security of the bureaucracy. Power politics, of course, exists in large private companies; but the urge to expand functions and simultaneously to defend what exists seems to me radically less in the case of well-run, large, private industry than in the case of big departments of the government. The quantitative difference becomes a qualitative change.

Dimock makes the assertion that a government department is interested in profits or its equivalent. This does not comport with my experience and observation.

The growth of government agencies leads in many cases to the substitution of government by men for government by law. This raises fundamental questions of government policy and brings trying questions of policy to private industry.

In a sense not true of government departments, private business must fit its policies to cyclical changes in the general economy and now to postwar changes of an unpredictable nature. It cannot rely on anything comparable to steady growth. I do not believe, in fact, that steady growth, or even an upward curve of growth after allowing for cyclical changes, is essential to the existence of healthy business enterprises. There are other ways of keeping healthy organizations and securing equivalent good effects which do not necessitate constant growth.

There are clear disadvantages in the federal government environment. It is at least suggestive that there has been a vast growth in the number and importance of corporations organized under government auspices and the control by the chief executive, by Congress, and by one department after another. This looks like an effort to limit the power of Congress and approach the degree of freedom of action that normally exists in private business even in what Dimock describes as our managed economy.

In the small department (small as government departments and even as large businesses go) which Dimock uses as a case, he was instrumental in establishing under domination of his department (in other words, under government control), a private charitable corporation supported by the gifts of many people and operating on an annual budget of several millions of dollars a year. He explicitly states as one of the reasons for this that it was essential to get "greater freedom—for example, with regard to the use of its funds and the appointment and deployment of its personnel." Obviously, these are more than details of government control. How many private corporations could meet their social problems in part by securing gifts of millions of dollars to support a private ancillary charitable corporation to run, under their domination, rest centers and other welfare and health efforts? The budget of this corporation became in fact larger than that of any other division of his department and, as I understand it, soon "virtually doubled the original administrative load."

It is not clear to me in Dimock's case or in his book where what is ordinarily called "policy determination" is left. Of the policy decisions affecting his department—a subdivision of Admiral Land's over-all Maritime Commission and War Shipping Administration—how many were made by Admiral Land and his general organization? I don't know. Was the subdepartment in substance under him as chief executive? Was the chief executive

in this subdepartment carrying out a narrow range of general policies already determined by the Admiral or by his mandates? This question affects the time necessary for reflective thinking in the subdepartment.

Dimock emphasizes the importance of putting first things first in organizing a new enterprise. This generalization is useful and true within limits. But in my experience in and with the organization of new business corporations the job is not often that tidy. For example, in personnel problems one must often break Dimock's principle of picking the top subordinate first and letting him initiate the choice of his subordinates. Judgment, chance, and experience more than system influence action and the sequence of action. In established organizations his rule is almost never applied when promotion from within is impossible—or even when it is possible.

These examples could be multiplied. In the multiplication they would not lessen but increase the gap between private administration and government administration. They would not lessen the significance of change and of leadership of men. Nor would they reduce the significance of time for reflective thinking about where and how one is going in this flux of change.

Nevertheless, and in spite of the fact that the search for universal principles, however heartening to one dealing with words and ideas, remains subject to the awkward intrusion of unexpected facts, I am glad to see such a study. I wish we had more of them.

## Serfdom, Utopia, or Democratic Opportunity?

By Edwin G. Nourse, The Brookings Institution

**THE ROAD TO SERFDOM**, by FRIEDRICH A. HAYEK. University of Chicago Press, 1944. Pp. xi, 250. \$2.75.

**ROAD TO REACTION**, by HERMAN FINER. Atlantic Monthly Press (Little, Brown and Company), 1945. Pp. xii, 228. \$2.00.

**FREEDOM UNDER PLANNING**, by BARBARA WOOTTON. University of North Carolina Press, 1945. Pp. 180. \$2.00. (English edition:

George Allen & Unwin Ltd., 1945. Pp. 163. 6s.)

As a matter of principle, a writer should not be held accountable for the interpretation of his work given in the publisher's blurb. However, in the present instance the "commercials" mirror quite faithfully the intention of the authors and the characters of their respective products.

Author Hayek, says the University of Chi-

cago Press, "warns the free nations that the extended collectivism toward which we are gradually veering is incompatible with democracy, that planning as interpreted today may eventually cause the end of all individual freedom, political as well as economic." Professor Finer's *Road to Reaction* is characterized by the Atlantic Monthly Press as "a stinging rebuke to *The Road to Serfdom*. . . . The author of this hard-hitting, convincing book insists that democratic man *can* plan his own way of life without danger of losing his democracy. . . . Democratic communities [can] advance social welfare and social justice and preserve responsible government while keeping the way open for individual liberty and initiative." Allen & Unwin's *précis* of *Freedom under Planning* (original English edition) correctly reflects the less schoolmasterish and more down-to-cases quality of Mrs. Wootton's analysis. "Her aim is to look at what are real and topical, if often neglected, problems, and to search for constructive solutions." Less satisfied than Professor Finer with the cold logic of whether we *can* plan our own way of life, Mrs. Wootton looks fearlessly at the question of whether men and women of the Anglo-Saxon tradition (we Americans too) *will* do so. What will be the probable "effect of economic planning, upon such freedoms as the right to choose our jobs, and to spend our incomes as we please, the right of trade unions to bargain about wages, and the citizen's freedom to form or to join the political party of his choice"?

Thus this elephant PLANNING that has come into our midst takes on the form of serfdom to Hayek's senses, but from Finer's contacts is conceived to be the embodiment of Utopia. Mrs. Wootton, perceiving both what it is that weighs down Hayek's pessimism and what irradiates Finer's optimism, interprets the phenomenon of planning as democracy's opportunity to work, with more sensitive direction and increased momentum, toward its own betterment.

## I

UNFORTUNATELY, these three authors have not evolved their conclusions as to the dangers and the values of planning from any single and clear definition of the term. Hayek does not attempt formal definition at all but

identifies it predominantly with the nazism from which he became an expatriate. Secondly, he identifies it with socialism (of numerous brands), from which naziism, he is sure, was spawned. But since communism has this same socialistic quality of overriding individual choice by centralized direction, it is also lumped into the general category of planning which he attacks. So too are British laborism, American New Dealism, and, apparently, any scheme of widespread economic organization even through nongovernmental in its setup—say cooperation or labor unionism. Primarily concerned about means rather than ends, his attack is directed at any form of economic setup which transfers formal choice from the free individual to the organized group. Thus, in his basic argument he carries an ardent individualism to the verge of spiritual anarchism which makes him a fugitive from community team play as well as from Nazi coercion. Qualifications as to particular points confuse the picture but do not really alter its ground pattern.

What Hayek takes planning to mean is revealed by his description of our present situation: "We have in effect undertaken to dispense with the forces which produced unforeseen results<sup>1</sup> and to replace the impersonal and anonymous mechanism of the market by collective and 'conscious' direction of all social forces to deliberately chosen goals" (pp. 20-21). He makes a sweeping argument that this is economically unnecessary and politically bad. However, he accepts in practice most of the conventional classification of areas in which government can serve better than individual effort to provide institutions of common usefulness and to police their operation. This "good" planning he blankets under the term "liberalism" and would even expand it to include a rather ambitious government program which he describes as "planning for competition."

As a political course of action, this planning for competition has much to commend it—though it would break the hearts of those American groups who have most jubilantly

<sup>1</sup> How can we dispense with the force that operates in the market process—free or heavily conditioned? At most, the planner proposes to design a mechanism through which those same forces may operate better.

welcomed Hayek's book. Moreover, the carrying out of such a program would, as Finer effectively shows in some detail (pp. 78 ff.), involve centralized government control—conscious and regulatory action on a grand scale. A strong case could be made that "planning for competition," taken literally and fully, would transcend anything contemplated by planners in England or America today and involve as drastic "coercion" in its way as fascism or communism.

Shortcomings of this like-cures-like prescription are, however, to be found on its economic quite as much as on its political side. Hayek's case rests on his assumption of the practicability and beneficence of the system of economic individualism in a free market, or on the ideal quality of atomistic competition. Admitting the beauty of this as a textbook model for exposition in the early weeks of an undergraduate class, it seems amazing to hear Hayek put it forward as a real situation that once obtained and to which we should seek to return. In spite of his broad historical knowledge, he seems to cherish a quaint idea that perfect competition is a lost Eden, not a figment of the theorist's imagining, and that his picture of "nineteenth-century liberalism" was a practical achievement rather than a minority crusade. Besides overlooking the disastrous character of some of the "unforeseen results" that ensue when unorganized economic atoms stampede after some crack-pot innovator or misjudge some whim of demand, the doctrine of the superlative merit of pure competition takes no account of the utter improbability that we technologically could or temperamentally would abandon the large-scale units of business organization that characterize a modern industrial society. The only kind of competition worth talking about in any realistic debate on planning or on the respective roles of government and private business today is monopolistic competition or administered prices—including wages and the scantily explored institution of collective bargaining.

By failing to differentiate clearly the significant plan areas in modern business life, by reaching back wistfully for an automaticity even greater than that of the simpler times of our economic past, and by missing the vital administrative element inherent in large-scale

organization of business even on the most private plane, Hayek has failed to bring economic analysis to a fruitful marriage with political theories of effective organization of the nation's resources in satisfying the wants of its citizens.

Finer is more specific in his definition of the concept of planning about which he is talking. On page 26, he says:

For the purpose of this discussion, a plan may be defined as *a series of well-concerted laws, separate as to substance but integrated and then carried into further detail by a series of rules and orders, made by officials deputed thereto, and controlled by the standards enacted in the statutes and subject to parliamentary or judicial revision or both.*

So stated, planning would mean no more than that such statutes as are passed should be so drafted as to be consistent with one another, administrative agencies should be so operated as to coordinate the several areas of action, and present arrangements for legislative amendment and judicial review should be maintained. This is a very narrow definition, limited to political method for effectuating economic means to declared social ends.

In fact, however, Finer's discussion goes much farther than this to argue that the scope of measures to be thus systematized and relieved of internal conflicts would be much different and more extensive than what we have had and still more in excess of the limits to which Hayek would "return" us. Much of his book is devoted to setting forth an economic program and giving a brief and categorical exposition of the economic theory by which it would be justified. This in spite of his earlier reprimand: "Hayek is an economist, but in this work he is going widely and deeply into questions on which chiefly Political Science, and its more special branch, Public Administration, can give answers" (p. 117). Of course Hayek had admitted at the outset that his was a "political book" to whose writing he, "a professional student of social affairs," had been forced by a sense of responsible citizenship. Finer's objection is only partly in principle and partly on the ground that this particular intruder is "stupid," "dictatorial," "possessed of a peevish and rancorous temper." To show that this is no mere jurisdictional dispute, however, he hastens to add:

I do not mean that no one but a professional student of these subjects is entitled to an opinion on the questions, but unless he has read all there is to be read on the subjects he handles, he would have no right to expect acceptance . . . or to speak with such dictatorial assurance. Nor ought those who read him to allow him any claim to an authority on matters outside his field which he may possess on matters within it [p. 117].

Passing over this dubious claim, or concession, of "authority" of the scholar in "his field" and the impossible demand that anyone shall have "read all there is to be read on the subjects he handles," one must be struck by the abandon with which Finer himself goes into the content as well as the philosophy of economic planning. In chapters v, viii, and ix he gives short answers to the most intricate problems over which the best of our economists have long labored and not yet come to agreement.<sup>1</sup> Presumably after having read all there is to be read on the subject of economics, he writes: "The beauty of economic theory is only skin-deep. Yet it is not wished to pull away the props of our confidence in economists, but to see that they become more worthy of it" (p. 134).

Is not the real point of this matter that there is much interpenetration of the matters dealt with in both economics and politics, and that *administration* constitutes a common denominator of both? The state does not just administer administration but must have a human-life content to its institutional structures, its programs and procedures—a content whose major part is economic in the broad sense. Stated from the other side, business does not constitute a test tube in which economic forces work themselves out to a spontaneous and ineluctable reaction pattern under the rule of natural law. Impure economic ingredients are organized (or organize themselves) into social forms through which basic economic forces, including those psychological in character, work

<sup>1</sup> I am sure I know a number of quite respectable economists who, like myself, would have definite reservations as to substantial parts of the program and philosophy of Sir William Beveridge, which Finer asserts are "in the English tradition [and] . . . generally accepted" (p. 194). Finer refers to Beveridge's views as "founded on the discoveries in economic theory of J. M. Keynes, also in the English tradition." But it was my impression that Lord Keynes himself cherished a belief that his "discoveries" had an original, even iconoclastic, quality rather than being in any "tradition."

themselves out under the administration, partly public but in very important senses private, of the directive personnel who, through a variety of man-made selective devices, come to executive posts.

Mrs. Wootton seems to me to have, among our three authors, the soundest grasp of this social science approach to problems of human living together, whose solving calls for whatever good tools we may fashion in the workshops not merely of political science and of economics but also of sociology, statistics, and psychology. This in spite of the fact that her definition of planning is couched in essentially economic terms:

Planning in the sense that is relevant here, may be defined as the conscious and deliberate choice of economic priorities by some public authority. Economic activity consists essentially of choice. . . . Since it is not possible to produce indefinite quantities of everything in a given place . . . there must be choice, and there must be priority. . . . These questions . . . can be settled consciously and deliberately as part of a plan, or they can be left to settle themselves through the higgling of the market (more politely known as the market mechanism). In the latter case, the final picture emerges as the unpremeditated result of the decisions of perhaps thousands [or millions] of people, each of whom is concerned only with his own particular part (and that often a very tiny one) of the whole. Planning, on the other hand, implies that there is a known target to be aimed at" (pp. 6-8).

Mrs. Wootton, writing with becoming modesty as a mere economist, devotes the six chapters that make up the body of her book to an orderly analysis of what democratic administration of our economic affairs would mean, both from the standpoint of the consumer and from that of the producer—freedom to spend, consumer sovereignty, freedom to save, choice of employment, freedom of collective bargaining, and freedom of enterprise. But this essentially economic analysis has been introduced by an illuminating preliminary chapter that contrasts civil liberty and economic freedom in the narrower sense with cultural freedom as the master concept which is in fact the object of our concern. And, once her analysis of economic freedom under planning has been systematically developed, Mrs. Wootton does not feel herself estopped by her economist label from writing a chapter—and to me a very incisive and stimulating chapter—on political

freedom, and a socially perspicacious tail piece, "Who Is To Plan the Planners?"

Thus, in fact, despite Finer's formal claim to professional isolationism, all these writers find themselves constrained to consider planning not merely as an economic phenomenon nor merely as a manifestation of the political state but as socio-economic organization or the ways which civilized peoples evolve for administering their affairs through public, semi-private or public utility, and private (corporate and cooperative) institutions. Rational (that is, in some degree planned) administration by a people of its societary affairs simply means (1) systematic analysis of its cultural evolution and (2) related action by government (the people's only comprehensive agency of expression) to shape that evolution to successively declared goals. A democracy not inhabited by morons is, by definition, some kind of a planned economy. The real question is both of degree and of types.

## II

THE basic quarrel among our authors (echoing the schism in popular thinking) turns on the issue, still moot, as to whether that formless mass, "the people," can achieve a mind, a harmonious technique of living, a soul of its own, expressed authentically through a properly authorized agency, the government. Or is government action inevitably control or domination of the human personality, the only difference being that between dictatorship of the man on horseback and that of the man in the street—or perchance that in-between figure, the "man in the smoke-filled hotel room"? The several alignments on this issue stem in turn from differing views as to the nature of man in the mass and as to whether it is possible to devise schemes of political organization that will bring out his best qualities and make them better or whether all we can do is to protect his right to be left alone. On those issues, Hayek is definitely at odds with both the other authors—a pessimist on both counts, while they are optimistic—perhaps even "easy optimists."

Hayek seems to Finer to manifest "distrust of and distaste for the common man"; to entertain a "prejudice against the constructive

capacities of mankind"; to be "pessimistic, defeatist, even man-hating." But do these words discriminately reflect Hayek's position? Less than exuberant in his estimate of the capacities and the behavior of men and women, average and even above-average, he indubitably is. But "sour" or "man-hating," showing "distaste" for his fellows or "sardonic prejudice" against social effort—I cannot so read him. There may be an aristocratic flavor to his politico-social philosophy. But is it not something in the *noblesse oblige* tradition, fully compatible with a democracy of equal opportunity but unequal capacities? Beyond that the "ultimate values on which [his] whole argument depends" are the values of individual freedom; he seeks "the kind of society which [would offer no] greater advantage to me than to the great majority of the people of my country" (p. ix). I am not quite clear how Finer reconciles his analysis of Hayek as having a "distaste for the common man" but also an "obsession" of individualism.

Still, however benign Hayek's attitude toward the common man and however zealous he is in battling for the individual's right to make his own choices, it must be admitted that he does not have much faith in what the mass of men and women coalesced into political groups will do when, through their political machinery, they intervene in matters economic. Here, however, his real fear seems to stem not so much from contempt for the *demos* as it does from distrust of the operation of the political mechanism by which certain types of persons come to positions of influence or power and the sort of programs and procedures that will be selected under majority rule. Basic here is his conviction that under a democratic system of political life "the worst get on top." Whether this is a gratuitous assumption, merely rationalized in his chapter, or whether he brings impressive historical fact and contemporary analysis to the substantiation of this proposition, I leave to other readers to decide, each for himself. It does seem important, however, to ask whether Hayek has frankly and consistently applied his own generalization to other parts of his argument.

Hayek's blindness to the realities of eco-

nomic life—organized as it is in large units of finance, of management, and of labor—does not merely tie him to an anachronistic theory of atomistic competition and shut him off from insight into the processes of monopolistic competition. It gets him into difficulty also from the side of political science or the administrative problems of sizable human groups (what Charles Merriam so appropriately calls "private government"). Aside from the possibility that the "higher brass" of these business organizations may at times constrain the free choice of individual members of these groups, we are now confronted with the application of Hayek's principle of the worst always getting to the top. If this is true as to the goldfish-bowl environment of government politics, may it not be equally or even more true of the secretive (not to say clandestine) environment of company or union politics? With a little time and diligence, almost anyone could present some pretty discouraging evidence as to the sort of persons who frequently have come to the top in our labor unions and our corporations. And this, of course, need not mean "murderers and hangmen" but officials who are domineering, coercive, narrow-visioned, or socially stupid—megalomaniacs or business Napoleons. Thus, the real lesson to be learned from this exposition of why or how the bad if not the worst get on top, even if exaggerated, should be to spur us to improve methods of executive selection and member suffrage in both private business organizations and in government.<sup>2</sup>

If Hayek is skeptical to the point of cynicism about the nature of *homo politicus*, Finer displays a trust so abundant as to seem at times to lack ordinary sophistication. Many an honest democrat will doubt that the voters' morals, intelligence, and diligence in public affairs in the brave new world of the future—the Plan Aage—will be on as high a plane as Finer assumes. If there seems a contradiction

<sup>2</sup> A first step in this direction must be careful research as to what practices of recruitment actually obtain and what are the consequences. I assume that this work is being adequately done by political scientists as to government officials. As for the officialdom of business, I am projecting forward my own studies of executive policymaking and Gordon's study of leadership in the large corporation, through a more detailed examination of the origins, education, promotion, and codes of conduct of corporation executives and union top officials.

in Hayek's distrust of what men do in large political groups and complacency as to their behavior in large business groups, is there not something of a like ambivalence in Finer's sharp denunciation of what he calls "the calamitous failure of the competitive order" and his placid confidence in the economic insight and altruistic impulses of men when organized politically to direct the economic process? Thus, he says:

The majority in the United States and Great Britain has used its power with deliberate wisdom. . . . [Majorities] know their own weakness, holding the freedom to use or abuse their own strength, and so they practice self-control, the only guarantee of self-government. . . . Its [a planned society's] source of power in actuality would be in the modulated, graduated authority responsibly conducted and regulated by the people. . . . How much more vivid and sensitive and continuously interested [than the owners of business] are the millions of voters in their political organization whether local or the central organs of the state! [pp. 61, 62, 66, 172].

Does not this eulogy overlook certain known facts about bosses and machines, the silver bloc, the cotton bloc, the impasse on patent legislation, and the inability to get the Wagner Act opened up for perfecting amendments? Linked to this highly favorable view of political behavior also is what seems undue satisfaction with the machinery through which the voting masses would fashion and execute their advancing plans. Instead of finding practical suggestions as to how the palpable shortcomings of our democratic machinery could be removed or mitigated, we hear it described in such satisfied terms as these:

The modern voter maintains his control . . . and those controls over the operations of government are continuous in the United States and Great Britain. He has his local representatives; he has his political associations; he is activated by other interested organizations. When the subject-matter concerned is "above his head," he is assisted by a constitutional arrangement: an opposition which unremittingly criticizes and questions the administration in *public*, so that the facts come out in a form which the voter can understand [p. 173].

Supplementing this lovely picture of the parliamentary system (not precisely matched under our congressional debate and committee procedure), Finer does suggest that the majority "must continue and deepen its education . . . so that we may learn a constant preference of public to private interest." Thus he adds:

A second need is for the majority to acquire a much deeper understanding of the economic process through theory and economic history, political science, public administration, and the other social sciences. The more people learn these things, the greater the basis among them of social agreement. . . . The majority will not be oppressive to large minorities. It has the right to move ahead when the minority is small. It will never have a need to be cruel. It is minorities, rather, which arrogate to themselves these privileges. But it must be remembered that majority does not arrive out of the clouds. The people must be approached to make a majority, and persuaded to join in the majority. While there is free discussion and the organization of parties is continuous and alive, demagogues cannot gain a majority [p. 209].

This confidence in the amicable and harmonious outcome of the popular examination of intricate economic problems seems a little overdrawn when we consider the degree of agreement that "education" has brought to Finer and Hayek, Hansen and Moulton, Bowles and Snyder, Reuther and C. E. Wilson—to say nothing of John L. Lewis. Should Finer, in justice to political science, have been content merely to reiterate his own faith in the innate capacities of men reared in a democracy and to berate others for lack of such faith? Was it not incumbent on him to face concrete problems of how political structures and political practices can be devised which will more fully develop and utilize the capacities of this "sovereign ruler" and guard against his intellectual or temperamental weaknesses? Many will remain unconvinced that "while there is free discussion . . . demagogues cannot gain a majority." There was Huey Long, you know.

Mrs. Wootton seems to me to have done more toward giving a realistic approach to the matter. She looks at actual practices of popular government through which we might get the most out of the sovereign voter toward defining and redefining goals as high as free men will work for in various team organizations, public and private, with reasonable acceptance of individual responsibility and reasonable preservation of individual freedom. No one could accuse her of having a "sour prejudice" against the common man or of entertaining a low estimate of his social values or his practical sagacity. Perhaps faith in what Finer calls "an incorrigibly experimental, inventive, pragmatic people like the

British and American" makes her a little reckless at times, as when she says twice within three pages: "It cannot, however, pass the wit of man or woman to devise means whereby . . ." and "If these objections are felt to be serious, again it cannot pass the wit of man or woman to invent alternative methods of arranging the mechanics of stability under a democratic constitution" (pp. 133, 136).

But she faces frankly a number of difficulties that are pretty sure to be encountered in the carrying out of an extensively planned program and gives concrete suggestions as to how she anticipates they might be met. She admits at once the dilemma "that economic planning demands continuity and political freedom appears to imply instability. Nothing can alter the fact that we cannot both make effective long-term plans and continually exercise the right to change our minds about anything any time" [p. 117]. The value of continuity in the practical sense she highlights from the British housing program, where "the Trade Unions even agreed to release some of their restrictions on the number of apprentices permitted to enter the various building crafts" on the strength of the apparent stability of employment promised by a fifteen-year housing program—which, however, was considerably altered after only two years.

She has confidence that this dilemma could be met with reasonable success by further developing the use of relatively permanent boards or commissions operating under parliamentary charter subject to review and renewal, modification, or revocation. What she seeks to prove—or what she at least argues persuasively—is that a government which had become socialized or come a long way toward state socialism could remain democratic in its political practices. But even those who share this faith must go on to scrutinize the economic content of democratic programs democratically arrived at. Economic democracy was a major tenet of the Agricultural Adjustment Administration program, and its designers and administrators did aggressive and ingenious work in designing ways of getting workable means of farmer participation and even consumer representation. But what can one say in terms of either political propriety or economic expediency when allotment holders

under a tobacco program, in deciding to increase the acreage allotment, distribute the new allotments among the high-income present holders and do not admit any of their low-income neighbors?

If we are to find these schemes of economic direction helpful or even tolerable, political scientists and economists must work together as research teams to search out the hidden weaknesses and unexpected consequences of these institutional and administrative changes that we are proposing to introduce into our ways of doing the nation's business. The TVA is rich in lessons in how a new and centralized undertaking may be articulated with local pre-existing agencies of government and of business. It raises also some intriguing questions of how far a given line of public enterprise should be pushed and how long it should be continued; whether, when, and how exploratory or stimulative activities of central government should give way to or be taken over by private business or by local government.

These books are hortatory and essentially ideological in character. But they clearly point the need for research—happily married administrative and economic research—into the myriad problems the authors raise. For such a program of research the frame of reference provided in any or all of these three books seems to me to have one important shortcoming.

### III

NOT one of these authors differentiates kinds of planning or distinguishes planfulness by government from scope of governmental action or contrasts these with implementation or execution of plans. One misses such a useful distinction as that which Lewis L. Lorwin makes between "institutional planning" and "operative planning," defined as follows:

The institutional concept of national planning assumes that if we properly plan our economic, social and political institutions in accordance with our objectives, the specific activities of life may be left to the initiative and decision of individuals.

The operative concept of planning calls not only for the formulation and co-ordination of policies, but also for specific supervision and direction of their execution.<sup>1</sup>

<sup>1</sup> *Time for Planning* (Harper & Bros., 1945), pp. 14-15.

Institutional planning is a role universally conceded to or demanded of government, though beset with plenty of controversies as to what old institutions shall be preserved, what new ones added, and when and how any particular change or addition shall be made. In principle, everyone would also no doubt accept Finer's objective that such institutional development should be planfully evolved through "well-concerted laws, separate as to substance but integrated . . . carried into further detail by . . . officials deputed thereto, and controlled by the standards enacted in the statutes and subject to parliamentary or judicial revisions" (p. 26). Most of us would agree, too, that, in developing this institutional scheme, we should, in Hayek's phrase, "plan for competition," though many of us would not follow his quixotic goal of atomistic competition.

Turning from institutional to operational planning, we enter the real field of controversy. Here the government role seems to me to break down into three parts—financial planning, plant planning, and managerial planning. Government may, without "taking over private business" or "invading" its field, do a great many things toward activating enterprises that remain private as to their operative management. Besides planned intervention in the flow of the national income, through grants-in-aid for either producers or consumers, as well as public works (constructed by private contractors), activation of private business by government also includes credit operations, of which the Reconstruction Finance Corporation, the Export-Import Bank, and the Farm Credit Administration are notable, and all of them recent examples.

The greatest danger to the public from reliance on private enterprise alone stems from its ability to protect localized and short-run profit rates and capitalized asset values through restriction of operations, with consequent curtailment of jobs or failure to create new jobs at the rate called for by the progress of labor-saving techniques. Hayek's assumption that the private enterprise of unconstrained individuals will be sufficient, and even Mrs. Wootton's otherwise attractive formula of publicly evaluated "priorities," seem to rest unduly on the classic assumption of eco-

nomic life in full motion or that resources are fully used and the economist's problem only that of discovering what is their best allocation. The body of Mrs. Wootton's exposition, however, makes it pretty clear that the activating aspect of planning is included in her philosophy even if not in her definition. To Hayek it could not be other than anathema.

If government undertakes projects on a scope which transcends the financial resources and the willingness to take risks (perhaps the right to take risks) of any private organization, such situations would, however, be "planning for competition" as well as planning for fuller resource use—competition beyond the point where private enterprise falters in adequate use of the nation's resources. Without dogmatizing here about the proper line of division between public enterprise and private enterprise, I suggest that the role of activation of enterprise, much of which would be private in character, through the use of government credit presents a usefully distinguishable analytical approach to the whole problem of government planning. Only careful study of both political and economic considerations will indicate how far it is desirable that it should go in each particular instance.

A second range of considerations splits off from this issue of government activation of business life. Shall the government simply furnish the financial resources for enterprises which shall then be private, as to both the ownership and the servicing of facilities? We shall need much more searching examinations into the true nature and limitations of risk-taking by private enterprisers and the nature of risks which can more readily, and perhaps more safely or more providently, be undertaken through public enterprise. My own studies lead me to believe that, under current practices of corporate risk-taking, some activating role on the part of government in the area of planning is necessary if we are to maintain reasonably full utilization of the nation's productive resources. This, however, does not mean "nationalization" of industry or of im-

portant branches of industry—or permanent retention in government hands of anything like the whole area of enterprise which it might find it necessary to enter for purposes of operative demonstration or initial underwriting.

My third differentiated area of operative planning is managerial direction, referred to above as "execution." Neither Political Scientist Finer nor Economist Wootton seems to me sufficiently aware of the difficulties encountered when managerial decisions of manufacturing, distributive, and extractive industry as a whole or in large units are transferred to centralized government agencies. The broad outlook of centralized government policy is necessary to complement the more particularized outlooks of the several branches of private business, and even complementary activation is at crucial times and in strategic places needed to promote full resource use. But it is no less necessary to retain the intimate familiarity with minutely localized operative conditions and the quick flexibility for modifying action in response to swiftly changing conditions which require private action, partly planful and partly behavioristic, on the managerial level. This is not compatible with nationalization of industry or with schemes of government price control.<sup>1</sup>

Even one who, like myself, definitely rejects Hayek's dogma of the Rule of Law—as economic law in the naturalistic or deterministic sense—may still think that "free enterprise" should be retained and heroic efforts made to remove or lessen its faults,<sup>2</sup> rather than going with Finer and Mrs. Wootton in accepting government operation or direction as economically as good or better in any and every area, function, or time. Democratic national planning for a high level of well-

<sup>1</sup>In fact, price control is strategically the most dangerous point from which government may debouch into the field of economic planning. See Edwin G. Nourse, *Price Making in a Democracy* (Brookings Institution, 1944), chap. i, particularly p. 14.

<sup>2</sup>This is the basic frame of reference for my own work most fully expressed in *Price Making in a Democracy*. Finer glimpses the significance of this issue clearly in a single sentence: "Those who directed the great corporations *practiced their calling in such a way as to make the competitive system antisocial in its effects*" (p. 5). (Italics mine.) But his very proper demand for the "abatement of the abuses of the prewar system of private enterprise" seems to see the external force of government as the only means to that end and to entertain no possibility that an equal amount of thought and effort might bring reform from within—by those most intimately in touch and most technically competent for operative reform.

coordinated economic activity with operation largely in private hands is quite different from a government plan implemented by government operation.

#### IV

Now a final word on ends and means. If I read these authors aright, Professor Hayek regards the nominal or ceremonial freedom of individual action in the price-making market as the prime desideratum, and is ready to accept for the formally free economic man whatever national well-being eventuates from the operation of "impersonal forces." Professor Finer and Mrs. Wootton seem to be in substantial accord that we must seek maximum general well-being by whatever means look promising to the majority—technical or real, large or small. "Freedom" is a collateral end to be sought, or to be preserved, only in such measure as this same governing body may find good or necessary.

Although Finer, like most of us, frequently uses "freedom" and "liberty" interchangeably, he at one point specifically distinguishes between freedom and liberty in a way not observed in popular usage. He says that

democracy—that is, the power to move forwards and backwards *at will*, will give [the majority] the guarantee of freedom, in whatever way they like to define freedom. Freedom is sometimes differentiated from liberty, it being said that freedom is no government or control whatsoever, while liberty is that freedom which is permitted by the laws democratically made. I prefer the plain definition of freedom in psychological terms, "the possibility of continuous initiative" [p. 208].

This same concept of freedom is evidently implied also in Mrs. Wootton's title *Freedom under Planning* and in Beveridge's *Full Employment in a Free Society*. It must be borne in mind when we read Finer's conclusion:

Experience has revealed the range of incentives that keep men at work and inventive, and that conduce to obedience to the government. All this study decidedly offers a justifiable belief that a far higher degree of economic welfare is available for all, with liberty not diminished to a dangerous degree, if measures of production, distribution, adjustment, and initiative are organized through parliamentary statute and effected through responsible executive and administrative action [p. 126].

Thus Finer clearly puts freedom from economic frustration of the democratic citizen along with freedom of political expression in

choosing national ends and the means to be followed in pursuing them. Hayek, on the other hand, might seem to put freedom of individual market and business choice above freedom from want. But what he really does is to deny that the end, economic plenty, could be attained by more concerted community action. He not merely denies that such action would be more effective than or even as effective as the impersonal force of economic behaviorism; he holds such an end in itself to be chimerical.

Although this snare [potential plenty] has served socialist propaganda under various names as long as socialism has existed, it is still as palpably untrue as it was when it was first used over a hundred years ago. [No one] has produced a workable plan of how production could be increased so as to abolish even in western Europe what we regard as poverty. . . . The reader may take it that whoever talks about potential plenty is either dishonest or does not know what he is talking about. Yet it is this false hope as much as anything which drives us along the road to planning [p. 98].

This is strangely reminiscent of the Iron Law of Wages and reverts to the glum tradition of economics as the "dismal science." From Hayek's Buddhist calm amongst ageless, timeless, and completely impersonal economic forces, the planner is "the man who tries to hurry the East." Plenty is so unattainable that we should not even set it as our end.

To Mrs. Wootton there is no real conflict of ends between freedom "of" and freedom "from," merely a verbal trick. "All freedoms are simultaneously freedom *to* do what you want and freedom *from* whatever prevents you from doing this." Formal freedom of economic choice is a lie to the man denied by poverty the ability really to choose anything or, by the shortcomings of public and private business administration, not even free to work. She does not demand or expect an immediate millennium of plenty. But freedom from want would seem to her a proper end to espouse in the practical sense of joining in active and publicly organized effort as the means to free as many as possible from wants whose satisfaction shall be found to lie within the capacities of our resources.

In spite of the acclaim that Hayek's book received in many quarters, I would confidently guess that a substantial majority of Americans would accept "plenty," defined as a scale of

living not merely far above that of our past or that of any other country but also much higher than our people as a whole have ever enjoyed, to be a proper end of national effort. It is by no means so clear that they would yet be willing to accept the means espoused by Professor Finer or even by Mrs. Wootton, embracing as they do such indiscriminate interposition of government action in business functions, such acceptance of Labor Party nationalization, Beveridgean "freedom," and even such benign references to the achievements of the Soviets. Whether a majority of our people might be prepared to accept these means at the bottom of a depression in the 50's that would shame the 30's—as to that, I venture no guess.

But for the American reader and student, confronted by our present difficulties and potentialities, all three of these books fall far short of a rounded picture of rational private administration joined with the desirable minimum of complementary public administration in the economic sector. My dissent would be not as to the objectives set but as to the high proportion of conscious direction that two of the authors believe *must* go through political channels and the low proportion that the other author thinks *can* safely be so channelled, and the failure of all three to give due weight, among the several means toward desirable economic ends, to the possibility of substantially improving standards of private administration of the economic process.

## Official and Non-Official Health Agencies

By Edward G. Huber, Harvard School of Public Health

**VOLUNTARY HEALTH AGENCIES: AN INTERPRETIVE STUDY**, by SELSKAR M. GUNN and PHILIP S. PLATT, under the auspices of the National Health Council. Ronald Press Company, 1945. Pp. xviii, 364. \$3.00.

**GOVERNMENT IN PUBLIC HEALTH**, by HARRY S. MUSTARD. Commonwealth Fund, 1945. Pp. xvi, 219. \$1.50.

THESE books discuss, respectively, the two types of agencies, official and voluntary, which between them provide public health services for the people of our nation. Both groups of agencies have their shortcomings, and both have their strong points. The authors analyze all these factors, suggest remedies for existing defects, and point the way to the future. Dr. Mustard is much interested in trends and deals with them frankly and realistically. Both books are important contributions and are of especial interest to administrators.

### I

IN *Voluntary Health Agencies* the authors attempt to solve several problems concerning these agencies. They believe, first, that local voluntary agencies must be revitalized; second, that demonstrations must be launched to "determine the soundness of unifying in one

strong organization all related health promotional voluntary agencies in a city and a state" so as to obtain a "unified health program"; and, third, that health councils—national, state, and local—must be reorganized so that they may effectively coordinate the "voluntary health movement of the country." These theses are developed in a most interesting manner in a clear, lucid, and convincing style.

There are over twenty thousand voluntary health agencies in the United States, and the authors devoted "two years of visiting in 65 cities and 29 states, covering 569 voluntary agencies and 143 official agencies," involving, in order to obtain the necessary samples for the study, over eleven hundred personal interviews. A number of very interesting facts, brought out as a result of this investigation, form the basis of recommendations for the improvement of voluntary health services.

The authors ably state their case when in the first chapter they point out the enormous growth of voluntary health agencies which has taken place in the United States during this century and show that the service rendered by those agencies is a universal service in which millions of people are engaged and in which the expenditures for public services

reach an annual sum of several hundred million dollars (exclusive of the American Red Cross and of hospital services). The authors undertook to study this voluntary health activity to determine the nature of the resultant contribution to the welfare of the community and to determine how this enormous force can be directed more advantageously. In effect, it is actually a study of organization and administration involving chiefly a consideration of external relationships of the individual voluntary agencies.

In discussing the origins of voluntary health agencies the authors state that "while medical knowledge and skill were growing, many important possibilities for improving health or preventing disease were receiving no official attention," and then go on to describe the resultant development of voluntary health promotion agencies as a result, first, of this lack of official activity and, second, of the initiative of such people as Flick, Morrow, Beers, Sanger, Cleveland, and Wald. Most voluntary agencies began locally at about the turn of the century, and by 1910 some of them had begun to expand into national organizations (following the example of the National Tuberculosis Association in 1904).

State health departments as well as many very good municipal health departments had also become quite well established by 1910, but there were still many gaps in their programs at that time. An important fact in this connection is that during the first decade or two after 1869, when the first state health department was organized in Massachusetts, the chief activity of health departments was in the field of sanitary engineering—in the development of water supplies and sewage disposal and in environmental sanitation. The next health department activity developed in the late eighties and early nineties in the prevention of communicable diseases, as a result of the remarkable bacteriological discoveries in the eighties. Then, as official health activities broadened and became more diversified, health departments developed as individual organizations, state or local, which coordinated all the component activities instead of doing as the voluntary agencies did a decade or two later—organize as separate, often overlapping, discordant organizations, each with its very

special purpose and each jealous of or even antagonistic toward other similar organizations. Men like Walcott, Chapin, Biggs, and Stephen Smith, giants in the field of public health a half century ago, did for official agencies what the men and women named by the authors did for voluntary agencies.

The authors classify voluntary health organizations into three fairly distinct types; those which are concerned with (1) specific diseases such as tuberculosis, syphilis and gonorrhea, cancer, poliomyelitis, and diabetes; (2) disorders of certain special organs and structures such as diseases of the heart, loss of vision or hearing, dental defects, and locomotor and skeletal disorders (other than those associated with poliomyelitis); and (3) problems that affect the health and welfare of special groups or of society itself, such as maternal and child health, planned parenthood or child-spacing, mental hygiene, and hazards to life and limb. There are probably at least a thousand small local organizations doing health work on a very modest scale which are unknown outside their respective communities and which probably cannot be placed in any one of the three categories listed above. There are many other organizations whose chief purpose is outside the field of public health, but that adopt a public health program as a side issue. Aside from all these societies, there are 16 national organizations, 290 state or regional organizations, and 20,248 city or county organizations. These numerous organizations thrive because they exist to help those who need help, because they are made up of the best citizens in every community, who serve as volunteer workers, and because they have the good will of their fellow-citizens, who express their backing by generous financial donations. These organizations are valuable to communities—not by performing the accepted duties of official agencies but by pioneering, by stimulating and encouraging official health departments, and by educating the public in health matters.

Unfortunately, the voluntary health organizations have fallen short of realizing their goal. They have engaged in overlapping activities, they have sometimes catered so much to the special interests of their sponsors that their activities, if not unnecessary, are at

least unimportant. As a result, the sum total of voluntary health agency activities in a community often presents a program which is characterized by a decided lack of balance, with some of the most important activities almost totally ignored and some of the least important given a disproportionate attention, financially and in service. For instance, the 1945 March of Dimes raised \$15,000,000, while the 1944 estimate of receipts by all voluntary agencies in the field of the American Heart Association was \$100,000. This represents a tremendous disparity between the money available for a patient who is a victim of infantile paralysis and that available for one who is suffering from heart disease.

There is one function of voluntary health agencies which Gunn and Platt speak of as "the common denominator of all voluntary health organizations," and that is health education. This "in some form is to be found in every program," even though the authors characterize present activities in this direction as "some attempts." Programs of this type are effective "in only a few of the larger cities."

Voluntary agencies at the state, regional, and national levels present special problems. State agencies are generally "agents of the national organizations." On the one side they are counselors for the local groups and on the other side they strive to interpret state attitudes to the national organization. Most commendably, some of these state organizations have expanded their programs so that they no longer speak only in behalf of some limited separate health interest.

In 1920 ten of the then twenty-four voluntary national health agencies formed a co-ordinative body, the National Health Council, organized for the purpose of obtaining "unification, or at least the closest possible teamwork, among the national health agencies." Except for the "occasional promotion of a health education project," the National Health Council cannot be said to have left its mark on the country. The authors, much as they would like to see unification, concede the unlikelihood of its accomplishment among the national agencies. They firmly believe, however, that there should be a "unified departmentalized organization with wise, coordinated over-all planning." Just as essential as

unification itself, or perhaps even more essential, is the need for an able executive for the National Health Council who qualifies as a leader as well. Such a leader would have a very difficult assignment of duty—that of persuading the national agencies to consent to be led.

There are several activities besides administering the common services of the member organizations in which the National Council might well lead; they are planning, organizing local health councils, and, most important of all, organizing an "all-compelling, dynamic project" for the education of the public in health. The great educational problem in this country is to cease the "multiplicity of separate and unrelated attacks upon the several preventable diseases" and to set about the project of changing "public attitudes, opinions and practices with respect to health." Whatever else each voluntary agency does that is distinctive, "all are concerned with education." Education is the basis for all public health work, for, as Charles Dudley Warner says, "Public opinion is stronger than the legislature and nearly as strong as the Ten Commandments." "And yet," say the authors, "we have never had a nationwide, coherent plan for popular health education—not even at the school level." (They might as well have said "statewide" as "nationwide.") In fact, "We have had a multitude of teachings which have left the individual confused. The time has come [and there is no more important statement in the study] for a unified, integrated national attack on the educational front."

The authors make several excellent specific recommendations which, if heeded by voluntary agencies, will correct most of the lag of these agencies of which the authors complain. Voluntary agencies should: (1) Change their programs when necessary. (2) Adjust their plans and programs to the actual needs of their respective communities. (3) Avoid wasteful duplication of the work of other agencies; avoid conflicts with other agencies. (4) Cooperate with official health agencies and with one another.

Appeals for funds by national voluntary agencies should be pooled, in the opinion of Gunn and Platt, except for the National Tuberculosis Association and the National

Foundation for Infantile Paralysis, which have their own phenomenally successful individual methods. The authors also believe that local agencies not already in the Community Chest should join that organization. This would necessitate budgeting—and, after all, budgeting is no more than planning, so that the pooling of fund appeals would enable an intelligent attack to be made "upon the common problems of health and disease."

In connection with the budgeting problem the authors ask whether the average donor is aware of how his gift has been, or will be, used. Also, they ask, should the "gold mines" the voluntary agencies have developed be considered as the private property of an agency to be used only as its board of directors decides, or as a unique public trust of which the voluntary agency is custodian on behalf of the public? Voluntary health agencies will continue to thrive, but sooner or later there may be public sentiment toward better administration of them. This study has pointed the way. What is now most urgently needed is a Moses to lead the voluntary agencies in the right direction.

## II

DR. MUSTARD'S well-written book discusses the official health agencies. These agencies, being a part of government and having been given authority by the legislature under the police power to provide for the public health, are responsible for carrying out this function which was first enunciated by Johan Peter Frank a century and a half ago when he said, "It is the duty of the state to care for its citizens' health."

*Government in Public Health* recognizes the trend toward ultimate complete federal control of state health work and of partial control of local health departments. This trend is important because it is in state health departments that the greatest public health power now resides and because local health departments deliver "the vast majority of routine health services received by the people of the United States."

The subject of public health is not referred to in the Constitution of the United States. Hence the authority of the federal government in this field is "derived," and all federal health legislation is "oblique and rests upon well de-

fined authority in some other field," such as federal jurisdiction in interstate affairs and, more recently, in the federal authority which is implied in the welfare clause of the Constitution. Recognition of this oblique authority came slowly at first, although there has been a recognizable trend toward a stronger federal government ever since the middle of the nineteenth century. The firm establishment by the Social Security Act of the principle of federal grants-in-aid for health purposes gave the federal government that great power which is vested in the holding of the purse strings and has resulted in federal control.

The health services which have grown up in the various departments and bureaus of the federal government duplicate and overlap one another because no plan or design was followed in establishing these numerous services. This situation is to no small extent due, Mustard thinks, to the fact that Congress has always regarded medical and health matters as secondary and has approached them indirectly. Likewise, although the principal health agency of the federal government is the United States Public Health Service, that agency has never been given the necessary authority to coordinate the various other general health activities. There have been at least eleven plans in the last half-century to secure the coordination of federal health activities, but none of them have been successful. Of late years, "the determined and skilful resistance and the display of formidable support by the Chief of the Children's Bureau of the Department of Labor" and the ability of the division of vital statistics of the Department of Commerce "to maintain its aloofness from the principal federal health agency" have blocked all proposals of this nature.

The American Medical Association advocates a national department of health, the secretary of which must be a physician and a member of his county medical society. Dr. Mustard does not believe this to be possible or advisable, although he admits that the cause of public health has almost always lacked politically powerful voices to speak in its favor. He rightly believes that the disadvantages of having the secretary of such a department a medical man might outweigh the advantages.

Dr. Mustard's limited discussion of federal

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health services, although more comprehensive than might be expected in so small a volume, provides enough detail so that the reader may understand the development and progress of federal health activities, especially of the United States Public Health Service. In discussing the history of the Health Service, the author points out that it was organized under a bill "for the relief of sick and disabled seamen." This relief was to be financed by deduction of twenty cents per month from each seaman's wages. The act is hailed by some ardent present-day proponents of compulsory health insurance as an early system of such insurance. Mustard goes on at some length to indicate the danger that exists in the modern interpretation of events long passed. "One may read into them a wanted meaning."

Mere relief of sick and disabled seamen did not long remain the chief aim of the medical officers of the United States Public Health Service; they were soon "invited to study and report upon the conditions of sea life with a view to devising measures for the preservation of the sailor's health and his protection from disease." Thus, the chief development was in the direction of a conventional public health program. However, the chief function of this service in the future, Dr. Mustard surmises, may possibly revert to its original function of the provision of medical care. If the Wagner-Murray Bill becomes a law in anything like its present form, the proposed national medical care program will be administered by the United States Public Health Service. Dr. Mustard does not discuss the merits or demerits of public medical service, but he enunciates this sound principle: "Public medical care becomes an affair of public health administration, if and when the problem of the delivery of this service to the citizen is such as to necessitate organized social action." When that situation exists, government must act; and when it acts, the most logical agents to administer a program are "its public health organizations." This statement leads one to infer that he believes state health departments rather than the United States Public Health Service should administer public care programs, which seems sound.

The first state health department was organized in 1869, but official local agencies

had been established three-quarters of a century previously. Other states followed Massachusetts in organizing state health work in rather slow succession, considering that the last two decades of the nineteenth century were remarkable ones in the history of the development of the science of medicine. Since the health problems were not at all the same in the several states, public health organizations developed along forty-eight dissimilar lines, and because there was no standard technique of public health practice, this also developed along many different lines. Yet there have been, and are now to an increasing extent (somewhat owing to federal influence), certain factors which tend to direct the development of health services in the different states with "at least the shadow of a common denominator."

Although the development of health services in the several states did not follow any uniform pattern, the respective services nevertheless developed as separate bureaus or divisions in an integrated department of health. Even so, there is, in each state, a certain amount of health work that is carried on under state direction but which is not administered by the state health department. The relative amount and kind of such activities vary in the different states. Because of this wide variation in the health activities of the several official agencies in the respective states and because of the varying amounts of health work done by state and local official health agencies and by voluntary agencies in the several states, it is not possible to estimate accurately how much the several states spend for health purposes. However, the figure Dr. Mustard gives as the median is \$2.20 per capita.

All states have an executive officer to direct the work of the state health department, who is known as the state health officer or by a similar title. In almost all states the state health officer has an official advisory board which exercises both quasi-legislative and quasi-judicial powers. Dr. Mustard points out the greatest single weakness of state health department administration—the state health officer generally has the respect of legislators and of state officials, including the budget director, yet he "is of relatively low-grade rank in the hierarchy of state officials." He is

a member of the governor's cabinet, but almost all governors are very little concerned with such things as general public health. This situation is plainly manifest when one compares the salary of the commissioner of health with the salaries of the commissioners of other departments which have political significance.

Some state health officers (altogether too many) tend to accept this situation, whether because they think they could not hold the position if they did not or whether because, as Mustard says, they "tend to acquiesce in the belief that local or localized health service for all communities of the state can be brought about only gradually and by opportunism and compromise." Dr. Mustard uses this situation as an argument for his thesis. He does not believe there will ever be a first-class nationwide health service unless federal-state-local relationships are extended and strengthened.

In spite of the fact that official local agencies existed so long a time before state agencies, there are a number of deterrents to the establishment of adequate local health organizations. The very first obstacle has existed since the earliest days—the people distrusted a government administrator. In addition, in modern times, many communities have insufficient wealth to support a health department, either because of poverty or because of small population; some suffer from indifference of public opinion, and others because of lack of authority to establish a health department.

That there is a need for much more local health service in this country is unquestioned. Even if we assume that "three-fourths of the United States reached by localized health units actually receive ample health service, there remains the rather distressing fact that from thirty to thirty-five millions have not been provided with the benefits of the not inconsiderable public health knowledge at present available." It would seem logical to provide the entire nation with excellent public health service before health insurance is made compulsory.

Dr. Mustard's solution to the problem of establishing satisfactory local health organizations is to require "local jurisdictions below certain populations and with a low ceiling on tax income" to unite, for public health service, into larger jurisdictions. He would let this at

first be permissive and later mandatory. Whether this plan is preferable to the state administrative and service health district depends somewhat on whether local beneficiaries should be required to pay, in taxes, at least fifty cents per capita for health service or whether they should receive localized service from state health districts. There is also the question of what is to be done with local health services when state health districts are organized, for the local part-time health officer is often the "well beloved country doctor." Besides, "it is generally conceded that the most direct method of political suicide for a state legislator is to introduce a bill designed to do away with certain local offices."

An excellent chapter on "Activities in a Public Health Program" presents a concise discussion of the numerous problems confronted by a public health administrator. It should be carefully read by the layman who wonders what a health officer does besides tacking up quarantine signs and collecting garbage.

Dr. Mustard sees several trends in the United States which concern public health activities. First, he envisions a stronger, more socialistic federal government. He bases his belief in this trend on the fact that the federal government is more and more willing to assume obligations in the field of social security which not long ago were regarded as "lying exclusively within the jurisdiction of the states." Another factor is that the broad term social security is now considered to include compulsory health insurance and public health activities. So, because the federal government is so virile and many state departments so static, there will naturally follow the increased federal control over state activities. The federal grants-in-aid have supplied an excellent incentive for state health departments to accept federal control.

The urgently needed next step in public health administration is the provision of adequate local health services to all communities of the United States. To this statement every public health administrator will agree. There are certain strong deterrents, some of which have been mentioned in this review, but they may all be overcome if persistent efforts are made. No one scheme would be applicable

in all the states, but there are three conditions that must be generally fulfilled if all communities in the nation are to be supplied with good local health service. The first is that grants-in-aid to states must be used largely for providing effective local health service instead of for strengthening bureaus or divisions of state health departments. The second condition is the provision of mandatory state legislation requiring the financial participation by every local jurisdiction toward providing health service (if such service is not to be given

by state health districts). The third condition is that combined administration of the public health activities of local units of government should be mandatory.

Throughout *Government in Public Health* there runs the thought that "there must ever be kept in mind the possibility that the structure and function of all governmental health agencies may need to be changed radically should the delivery of public medical services become a responsibility of health departments."

## Report of Round Tables—Annual Meeting of the American Society for Public Administration

THE following brief summaries of the round table sessions of the annual meeting of the Society are printed in order that members who could not be present at these sessions may have some information relative to them. They have been prepared from the more detailed reports made by the secretaries of the round tables. Unfortunately, because of limitations of space it has not been possible to print these reports in full.

### Work Simplification

*Chairman*—Tom Tippett, Office of Price Administration

*Participants*—John A. Donaho, Bureau of the Budget; Henry J. McFarland, Municipal Service Bureau of the New York State Department of Civil Service; Herbert E. Stats, Jamison, Fowler and Carter, Management Consultants

*Secretary*—William Howard Gammon, Lt. (j.g.) USNR, Bureau of the Budget

Work simplification is based on the theory that the man who is doing a job is the best source of information on how to do that job better. The need for economy and speedy action explains the growth of this relatively new method. One of the big problems in getting a work simplification program established is finding the incentives for its acceptance. Suggested incentives ranged from threats of budget cuts to the satisfaction of doing one's job better. It should be made clear to employees that if they simplify their work it will be easier and less costly; as a result of simplification their agency will also gain the respect of the public and of the parent legislative body.

Some impatience was expressed at the slowness with which the program has been adopted in government. Even though present methods of applying work simplification are imperfect, it is desirable that what is known should be widely used at once. It is important to sell the program to top management. It is harder to sell the program to the older federal agencies than to the newer ones, but results in the older agencies are good once the idea is accepted. In introducing work simplification it is important to keep the approach as human as possible and also to avoid building up a special jargon.

The idea of analyzing work methods and of bringing employees and supervisors into the process of methods improvement has proved to be of fundamental importance and value. The program as it has been developed is adaptable to the needs of many different types of work, although its primary application thus far has been to the paper work of government offices.

### Executive Reorganization of the Federal Government

*Chairman*—John D. Millett, Columbia University

*Participants*—Robert A. Walker, Kansas State College; Avery Leiserson, University of Chicago; G. B. McClelland, Navy Department; George A. Graham, Princeton University

*Secretary*—Howard M. Kline, U. S. Public Health Service

The purpose of the discussion was to explore some of the reorganization problems in several selected fields. The organizational difficulties in the field of land and water utilization were presented, along with several possible solutions. These included (1) reliance upon improved coordination and planning through the Interagency River-Basin Committee, (2) consolidation of the functional responsibilities at the federal level with further development of coordination between regional and national programs, and (3) development of the TVA type of regional authority.

A consideration of the several concepts of what the functions of the Department of Labor should be, and a descriptive analysis of the numerous agencies and programs affecting labor which have grown up outside the department, led to the view that the real problems of Labor Department structure are not primarily organizational. A review of labor disputes and wage stabilization policies of the war years forced the conclusion that the issues are still essentially political.

The need for a federal welfare department headed by a secretary with full cabinet status which would plan, review, and direct programs in its field was stressed. The establishment of such a department might well stimulate the states to set up similar unified departments.

The development of the Executive Office of

the President since its establishment in 1939 was traced. The best developed of the staff agencies is the Bureau of the Budget, which has made a determined effort to maintain its staff character. Some agencies intended to perform staff functions have developed into decision-making agencies physically separated from the Office of the President. It was suggested that the essential task is to organize the administration as a whole so that fewer and better prepared questions come to the Executive Office for decision.

#### Organization of the Federal Government for National Defense

*Chairman*—G. Lyle Belsley, Civilian Production Administration

*Participants*—Milton Katz, Harvard University; Major General Otto L. Nelson, New York Life Insurance Company; Lincoln Gordon, Harvard University; Major Joseph E. Greene, Army Air Forces

*Secretary*—James A. McAleer, Civilian Production Administration

The discussion was oriented to the future organization of the federal government for national defense. The proposed unification of the War and Navy departments was both defended and attacked, but there was agreement on the importance of coordination at the level of top planning and strategy and of operating coordination of related activities of the defense arms. The value to the President of a competent staff which could view objectively the problems of national defense and the demands of the various armed services was pointed out. No agreement was reached as to where such a staff should be located or how it should be composed.

A second major question was how the Armed Services and the Department of State could best work together in matters of strategy and diplomacy. It seemed agreed that a national security council or a council of national defense should be organized at the presidential level to provide for more effective coordination of military and diplomatic policies. Military intelligence and defense research activities should be placed directly under the proposed national security council. It was generally agreed that civilian and military agencies should cooperate closely in the future in planning for industrial mobilization.

#### Administrators' Appraisal of Civil Service

*Chairman*—Edgar B. Young, Port of New York Authority

*Participants*—William S. Carpenter, New Jersey Civil Service Commission; Joseph D. McGoldrick, New York City; James T. O'Connell, National Housing Agency; F. M. Rarig, Jr., Amherst H. Wilder Charity, St. Paul, Minnesota

*Secretary*—Jesse H. Bankston, State Department of Institutions, Baton Rouge, Louisiana

The carry-over of the early concept of civil service as a bulwark against the spoils system operates as an obstacle to the development of a positive personnel program. A vitalized personnel division that places greater emphasis on selection and less on protecting the individual can render a real service to the administrator. It was suggested that a better definition of the relation between the personnel office and the administrator would prevent much friction and that the personnel agency should operate as a staff office to which the administrator could turn for consultation in the promotion of desirable personnel practices. Although a single governmental employment department seemed favored, it was generally felt that it should not have authority to determine the need for new positions. The desire was expressed for further study of the question of whether positive staff functions are compatible with an autonomous personnel agency. Most participants felt that civil service agencies have been unsuccessful in recruiting for key administrative positions, partly because the same recruiting techniques have been used for such positions as for the rank and file. Promotion was not believed adequate for filling top positions; frequently there is need to bring in new blood at this level to vitalize an agency. Administrators and personnel agencies should cooperate closely in the staffing of upper level positions. It was the consensus that the rule of three is too restrictive to be applied to administrative positions.

#### The Use of Sampling Surveys in Developing and Administering Government Programs

*Chairman*—A. C. C. Hill, Jr., Vick Chemical Company

*Participants*—Dwight Chapman, *The Washington*

*ton Post*; Charles Dollard, The Carnegie Corporation; David B. Truman, Bureau of Agricultural Economics; Mrs. Dorothy Brady, Bureau of Labor Statistics

*Secretary*—Ernest A. Engelbert, University of Wisconsin

In recent years, especially during the war period, the use of the sampling survey has increased greatly in government organizations. The method has been used in connection with a great variety of subject matters and at all stages of the administrative process. The economy, scientific accuracy, and democratic nature of the sampling survey were discussed along with its value in justifying a program before Congress and the public. On the other hand, it was warned that the method is not effective when the area of survey is very broad or cannot be well defined. Surveys must be conducted by well-trained technicians and must be carefully interpreted to be useful. Good public relations are essential to the success of any sampling survey. Some of the resistances to the use of the sampling were described and analyzed. There was discussion of whether there should be a central sampling survey agency for the use of all governmental departments or whether each agency should develop its own facilities. The adoption of the sampling survey as a process of administration depends upon its recognition by management as a valuable staff service and upon the discretion with which the technique is used.

### The International Civil Service

*Chairman*—Rowland Egger, University of Virginia

*Participants*—Joseph P. Harris, University of California; Egon Ranshofen-Wertheimer, Carnegie Endowment for International Peace; Alvin Roseman, Bureau of the Budget; Adrian Pelt, Assistant Secretary-General, United Nations; Donald C. Stone, Bureau of the Budget

*Secretary*—William C. Rogers, Public Administration Clearing House

It was estimated that the number of personnel in the international civil service for the next few years would be around six thousand. Clerical and custodial employees will be recruited from local residents. The number of

professional and administrative personnel will be comparatively small and each nation will contribute only a few individuals to the total staff.

A key problem will be to maintain the merit principle while giving due regard to geographical distribution. It was agreed that all United Nations appointments should be made through the personnel office, which can best discover high quality personnel. Its system would also protect the administrator in his final choices. The personnel office will deal with national committees; it is hoped they will suggest well-qualified candidates without becoming pressure groups.

In the opinion of most of the participants, the proposed international civil service commission should be an advisory body rather than an operating agency. It was generally agreed that the task of building and maintaining common personnel practices in the United Nations and the specialized organizations could be solved best on a day-to-day cooperative basis. It was hoped, however, that the United Nations would take immediate leadership in establishing well-planned standards and procedures which would be adopted by the other organizations.

Immunity from taxation should be accorded to international civil servants to prevent one nation from, in effect, paying money into the treasury of another. Staff contributions approximating local income taxes would prevent the development of a feeling of local antagonism against the international employees.

### Problems of Budgetary and Fiscal Administration in International Agencies

*Chairman*—Alvin Roseman, Bureau of the Budget

*Participants*—Harry Kurth, Department of State; G. E. Lukas, War Department; Jacques Polak, United Nations Relief and Rehabilitation Administration

*Secretary*—Felix Nigro, United Nations Relief and Rehabilitation Administration

Some of the more important problems discussed included (1) the difficulty of developing acceptable formulas for the allocation of costs of operation among the member nations; (2) the tendency of some national legislatures to expect international agencies to justify their

requests for funds in the same ways as national agencies; (3) differences of fiscal and accounting practices among nations that make it difficult to develop satisfactory systems and that frequently result in compromise solutions; and (4) the difficulty of recruiting satisfactory staffs on a geographical basis. There was also some discussion of the desirability of developing budgetary relationships between the United Nations and other international organizations; it was pointed out that it would be necessary first to develop program relationships.

#### The Administration of Occupied Territory

*Chairman*—Harrison S. Dimmitt, Harvard University

*Participants*—Lt. Commander Dale Clark, Navy Department; Hardy C. Dillard, University of Virginia; Robert L. Finley, War Department; Maurice F. Neufeld, Cornell University; Lewis H. Van Dusen, Jr., Philadelphia; Harold Zink, DePauw University  
*Secretary*—Frederick C. Mosher, United Nations Relief and Rehabilitation Administration

The problems and shortcomings of military government in Europe have been the result of basic conflicts in its planning and of the absence of over-all policies and objectives. There was confusion on the following questions: (1) Should military government be a separate organization or should it be an integral part of military organization? (2) Should occupation be placed on a short- or long-term basis? (3) To what extent should existing governmental frameworks of occupied countries be accepted? (4) What pattern of organization should be applied to the military government agency? (5) Should military government attempt to teach democracy or merely strive to eliminate fascism?

There was little over-all direction from Washington and policy originated largely at the working level. The military government organization lacked good administrative politicians in the top jobs. It was staffed largely with able technicians but had few personnel fitted by training or experience to make decisions on questions that were fundamentally political and social. There was no considered public relations program. On the other hand, the de-

nazification of Germany has been carried on efficiently. The situation in Japan, where General MacArthur has virtually a free hand and where the old government structure exists, is in marked contrast to Europe.

An outstanding difficulty in the whole occupation effort has been the lack of top level coordination and control. The Allied Control Council for Germany has achieved limited coordination but has been impeded by the French veto. In the United States neither the State Department nor the Army is organized to operate a continuing military government. It has been suggested that a control board be established to direct the occupation areas; it would be composed of representatives of the State, War, and Navy departments and perhaps the Department of the Interior.

#### The Research Function in Administrative Agencies

*Chairman*—V. Lewis Bassie, Department of Commerce

*Participants*—Louis H. Bean, Bureau of the Budget; H. M. Douty, Bureau of Labor Statistics; Howard C. Grieves, Bureau of the Census; Harry Magdoff, Bureau of Foreign and Domestic Commerce; Jesse Robison, Smaller War Plants Corporation; Conrad Taeuber, Bureau of Agricultural Economics  
*Secretary*—Herbert A. Simon, Illinois Institute of Technology

Research was described as a tool used to perform certain functions for the administrator: he uses research to define problems, to attack them, and to achieve good public and congressional relations. The experience of the Smaller War Plants Corporation showed the importance of all of these functions. For example, it was necessary to make surveys to determine what plants could handle particular contracts. A survey also showed that the smaller plants were largely unprepared for contract termination; it resulted in the development of an educational program for the managers.

The Employment Act of 1946 recognizes the role of the research function in assuring maximum employment. Forecasting may prove the most difficult task, for forecasts may have the effect of creating the very instability the act

is designed to eliminate. Difficulties in connection with forecasting can perhaps be mitigated by long-range plans.

The Bureau of Labor Statistics provides technical assistance to the fact-finding boards in wage dispute cases through advising on the kinds of information the boards should request the parties to present; advising on the relevant data available from other sources; collecting and analyzing the information from public sources that will throw light on the issues in the case; following the testimony in order to advise on points that need clarification; making final analyses of the data as directed by the boards; and assisting the boards in the preparation of their reports.

Experience has shown that this country does not have an adequate body of basic information; the program for the Bureau of the Census contained in a proposal of the Bureau of the Budget for a federal statistical program was described.

Coordination of operating research with long-term data gathering is a particular responsibility of the Bureau of Agricultural Economics. The research and statistical activities of the operating agencies in the Department of Agriculture are necessarily concerned chiefly with specialized problems. The BAE deals with the problems of agriculture as a whole, analyzes the consequences of alternative courses of action, and applies available knowledge and theoretical explanations of facts to new situations as they arise.

A general problem is the frequent occurrence of conflicts between research and administrative groups. The basis of these conflicts is often mechanical; more important causes of conflict, however, are differences in policy, approach, and conclusions. The discussion brought out clearly the distinction between "operating" and "scientific" research and the importance of each.

### The Role of Lawyers in Administration

*Chairman*—Patterson H. French, Bureau of the Budget

*Participants*—Wallace S. Sayre, Office of Price Administration; Orrin G. Judd, Solicitor General, State of New York; Simon Sobeloff, City Solicitor, City of Baltimore, Maryland

*Secretary*—Weldon Cooper, University of Alabama

Some basic problems for discussion were the interrelationships of the lawyer and the administrator at all levels of government, the place where lawyers fit in the organization and management of a governmental unit, and the training needed by lawyers for their part in administration and the training needed by administrators in order to work with lawyers. Papers described the role of the lawyer in the Office of Price Administration, in the New York State government, and in the government of the city of Baltimore. In the OPA the relative position of the lawyers has passed through six distinct stages. The location of the legal staff in the organization has also undergone changes.

Virtues of lawyers in administration include ability to solve problems, relative objectivity, concentration on essentials, working for completeness of a system and for equity and consistency among all parties of interest, and ability to translate policy objectives and administrative practices to critics. Defects are a limited understanding of organization and economy in administration, a tendency to emphasize logic at the expense of realism and detail rather than the broad picture, and tendencies toward abstract standards of equity and an individualistic approach. Speakers pointed out the need for more training for lawyers in public administration and the social sciences.

### The Field Officials Look at Headquarters

*Chairman*—Charles S. Ascher, National Housing Agency

*Participants*—Levy Anderson, United States Employment Service; Richard Brockway, United States Employment Service; John J. Corson, *The Washington Post*; Marvin Osterman, Wage Stabilization Board

*Secretary*—Emil J. Sady, Department of State

The central theme of the discussion was the problem of communication in its broadest sense. After enumerating the objectives of communication, the need for unity of purpose and common understanding was stressed. The size and the geographic spread of an organization have a direct relationship to the development of employee understanding of its principles and purposes. Other obstacles to agency

communication are the problem of semantics in written orders, over-instruction, and the feelings of hierarchy that develop from many administrative layers. Excessive professionalism may also block effective communication. The suggestion of a division of field operations for channeling communications encountered a mixed reception. The degree of participation by the field in policy formation was the subject of considerable discussion. The panel was adjourned with a reminder that the development of good headquarters-field relations involves the cultivation of human relations leading to common understanding rather than emphasis on mechanical process.

#### Organizing around an Executive

*Chairman*—William W. Parsons, Treasury Department

*Participants*—Paul H. Appleby, Bureau of the Budget; Harvey C. Mansfield, Office of Price Administration; James V. Bennett, Bureau of Prisons; Albert Pleydell, New York City

*Secretary*—John H. E. Fried, International Labour Office

The first half of the session was devoted to organization around the head of a great governmental department in the primary terms of his needs as an important factor in the process of governmental integration. Proper organization around a department head needs to be pointed upward to the President, and outward to the rest of the government—not merely downward for the sake of the department head's own essential controls. A principal prob-

lem turns upon setting up a permanent basic structure for departmental administration so firmly that it cannot readily be disregarded, yet elastic enough to provide for the injection of a few personally selected aides to help insure policy shift and to permit change in keeping with changes in administrative needs. Considerable attention was given to the form and utilization of departmental staffs. The second half of the session was devoted to the price administrator and his staff. Distinctive features and main lines of organization of the OPA were described. Staff needs of the administrator may be grouped as liaison, strategy, and coordination. Liaison functions include congressional relations and contacts with the organized representatives of industry, agriculture, and labor. The office of congressional information, the office of industry advisory committees, the agricultural relations adviser, the office of labor relations adviser, the office of consumer relations adviser, the veterans adviser, and the office of credit policy adviser have been established to assist with liaison activities. The administrator has no fixed group of staff advisers who assist with strategy and planning; various staff members aid the administrator in these areas. The burden of coordination of plans and activities falls heavily on the administrator, although many staff co-ordinating responsibilities have devolved on the "senior" deputy administrator. Notable technical improvements in auxiliary and managerial services have served to reduce burdens and pressures of the earlier days of the agency.

# News of the Society

ANNUAL meetings may now be resumed, and the first annual conference since 1944 was held at the Bellevue-Stratford Hotel in Philadelphia, with sessions beginning Tuesday morning, March 26, and continuing through Wednesday afternoon, March 27. The program, planned and arranged by James W. Fesler of the Civilian Production Administration, reviewed various aspects of recent events in the field of public administration and discussed potential solutions of current and emerging problems. Each panel discussion was reported by its panel secretary, and brief summaries appear in this issue of the *Review*. The annual conference of the American Political Science Association began on March 28 at the same hotel, and the two organizations cooperated on a number of sessions.

Luther Gulick, director of the Institute of Public Administration and recently adviser to various war agencies, retiring president of the Society, spoke on "Administrative Lessons of the World War." Adrian Pelt, assistant secretary-general of the United Nations, spoke on "Peculiar Characteristics of an International Administration." At another session, representatives from local chapters of the Society reported on the activities of their chapters.

At the annual business meeting March 26 Charles S. Ascher, regional expeditor, National Housing Agency (New York), was elected president of the Society for 1946. Miss Loula Dunn, commissioner of the State Department of Public Welfare (Alabama) was elected vice president.

Under the new constitution adopted October 13, 1945, at the time of incorporation, it was provided that "the persons named as first members of the Council in the certificate of incorporation shall serve until the first annual meeting of the members." However, the nominating committee, composed of Louis Brownlow, Joseph M. Cunningham, and Harold D. Smith, presented for reelection those council members whose terms under the unincorporated status would have continued until the end of 1946, and the following were elected to the Council to serve through 1946 or until

their successors shall have been elected and qualified:

Charles S. Ascher and Loula Dunn (ex officio)

Clarence A. Berdahl, professor of political science, University of Illinois

Grace Kneedler Ohlson, executive secretary, Durham County (N.C.) Tuberculosis Association

Frank M. Rarig, Jr., executive secretary, Amherst H. Wilder Charity (St. Paul)

Elected to serve through 1947 were:  
Paul H. Appleby, assistant director, U. S. Bureau of the Budget

Wayne Coy, assistant to the publisher, *The Washington Post*

Robert E. Merriam, project planner, Federal Public Housing Authority (Chicago)

Elected to serve through 1948 were:

James W. Fesler, professor of political science, University of North Carolina

Walter Gellhorn, professor of administrative law, Columbia University Law School

Herman Kehrli, director, Bureau of Municipal Research and Service, University of Oregon

The other three who will serve on the Council are:

Luther Gulick

Louis Brownlow

Harold D. Smith

the first being past president of the incorporated Society and the other two past presidents of the unincorporated Society appointed by President Ascher to fill the vacancies occasioned by the lack of a sufficient number of past presidents of the incorporated Society. The constitutional requirement that two members of the Council, when elected, shall be junior members is met by the selection of Mr. Merriam and Mrs. Ohlson.

Charles S. Ascher mentioned the great contribution made to the Society by William E. Mosher and presented the following resolution, which was adopted by a rising vote:  
*Resolved*, that William E. Mosher, first president of this Society, was in the forefront in

the development of public administration as an art and science in this country, a pioneer in education for the career public service, a fighting liberal, a profound believer in democracy who saw the need for trained leadership both in politics and administration, a dynamic inspirer of colleagues and students, whose influence will be sorely missed.

The annual report of the secretary for the year ended December 31, 1945, showed an enrollment of 2,500, with 52.5 per cent representing the public service and about 21 per cent teachers at colleges or universities. Students are reinstating their affiliation and in 1945 constituted about 2.5 per cent, as against 1.5 per cent of the membership in 1944. The geographic distribution is relatively the same as in former years, with the District of Columbia leading. The greatest percentage of gain occurred in Kentucky, where a chapter was being formed. Puerto Rico more than doubled its subscribers, and Massachusetts, Oregon, California, and Minnesota all showed increases of more than 20 per cent.

During 1945 one new chapter was recognized in Oregon. Nine of the established chapters maintained fairly regular schedules of meetings, and plans for reactivating chapters are reported in Sacramento, Utah, and Virginia.

A few more *Reviews* went to APO addresses in 1945 than in 1944, and it is hoped that a number of the members now overseas will introduce the *Review* abroad. Many members who "resigned for the duration" have returned to former positions and renewed their membership. With continued help from the membership, the Society should show real progress during 1946.

#### CHAPTER NEWS

##### Alabama

On May 3 the Alabama chapter held a dinner meeting at the Beauvoir Country Club in Montgomery. Paul H. Appleby, assistant director of the U. S. Bureau of the Budget, was guest speaker. "The Bureau of the Budget in the Reconversion Period" was the subject of his address. About fifty members and guests were present.

##### San Francisco Bay Area

A panel discussion on "The Future of Public Employment in the Bay Region" was held

February 14 in the Assembly Room of the Phelan Building in San Francisco. The panel members were:

*Chairman:* Samuel C. May, director, Bureau of Public Administration, University of California

*Panel Members:* J. H. Abers, Regional Office XII, U. S. Civil Service Commission

William H. Smith, executive officer, California State Personnel Board

Philip R. Berger, secretary and chief examiner, Alameda County Civil Service Commission

Charles R. Lohmeyer, assistant to the personnel manager, East Bay Municipal Utilities District

Emphasis was placed on bringing employment, now below pre-war peak, back to reasonable magnitude. Panel members and those who participated in the discussion from the floor predicted an over-all expansion of permanent public employment in the region. State and county representatives held that moderate increases in employment would occur at state and county levels. The increasing importance of the security factor was considered an attraction to public employment.

On March 14 Enrico Dell'Osso, assistant district attorney, Alameda County, formerly lieutenant colonel in military government, assistant chief of operations, G-5, SHEAF, gave an illustrated talk on "Military Government in Germany." The chapter vice-president, Fred B. Wood, legislative counsel for the California State Legislature, presided.

On April 9 Robert Huse, director of the information service, Social Security Board, was speaker and leader of a forum discussion on "Information—An Aid to Operational Effectiveness."

##### Southern California—Los Angeles

On April 2 Society members in the vicinity of Los Angeles held a dinner meeting at the Rosslyn. John W. McFarland of the organization and control division of the Lockheed Aircraft Corporation was the speaker for the evening, and the subject of his discussion was "The Application of Organization Principles."

##### District of Columbia

At the February dinner meeting Senator Robert M. LaFollette, Jr., chairman of the Joint

Committee on the Reorganization of Congress, presented his views on the need for a change in the structure of the legislative branch of the government. He pointed out that the executive branch of the government has expanded and reorganized to meet changing conditions which require more service, assistance, protection, and regulation—while Congress has struggled along with the same archaic organization. Five points which he suggested are briefly: (1) that Congress be divested of secondary functions, such as running the District of Columbia, (2) that the Legislative Reference Service provide additional assistance to Congress, (3) that the legislature be provided with its own staff of experts, (4) that a legislative-executive council be established, and (5) that cabinet members be provided an opportunity to appear before legislative sessions and to participate in debate.

On March 13 General of the Army Dwight D. Eisenhower, Chief of Staff, spoke at the dinner meeting. His subject was "The Administration of an Allied Army," and he described the major factor of effectiveness as cooperation, not only among American officers but more especially between representatives of different countries. He also stressed the importance of delegation in order to permit one individual to encompass a large organization. Only by expressing the confidence of a superior in his subordinates and engendering a feeling of responsibility throughout the organization can a commander reduce his administrative burden. The General also pointed out that many wartime inventions—such as the guided missile or radar—are as important as the atom bomb, and that it is the duty of the country to continue research into all types of weapons and war materials.

In the series of round tables, five discussions were held on liquidation problems, under the chairmanship of Charles M. Hulten, deputy director, International Information Service, State Department. At the January 23 meeting Robert M. McKeever, national Director of Liquidation, and Roger Jones, staff assistant in the Estimates Division on Liquidation Matters, discussed the necessity for planning prior to the liquidation of an agency.

On February 6 Commissioner Arthur S. Flemming of the U. S. Civil Service Commission

placed particular emphasis on personnel problems in the liquidating agency and the placement of "reduced" staff to the extent needed in other agencies.

On February 27 Ross Pope, formerly of the Office of Censorship, presented a history of the work of that office in planning and executing its liquidation following the termination of hostilities.

On March 21 the subject for discussion was "Records Problems and Administrative Histories in Liquidation."

The round table series under Alvin Roseman, U. S. Bureau of the Budget, held three discussions on the administration of the United Nations. On February 21 the discussion centered on problems in the formation of an organization for the United Nations. On March 7 and April 18 the discussion was on "Personnel Practices for the United Nations."

#### Kentucky

At a meeting on April 9 the Kentucky members of the Society ratified a constitution and elected the following officers for the calendar year 1946:

*President*—William G. Herzl, director of research, Kentucky Department of Revenue, Frankfort

*First Vice-President*—Norman E. Lindquist, administrative officer, U. S. Public Health Service Hospital, Lexington

*Second Vice-President*—Roy H. Farmer, executive assistant to Kentucky Commissioner of Revenue, Frankfort

*Secretary-Treasurer*—Mildred Gill, secretary to Kentucky State Librarian, Frankfort

The program committee appointed at this meeting includes:

*Chairman*—John E. Reeves, professor of public administration, University of Kentucky, Lexington

*Members*—Fred Benckart, finance director for the City of Lexington

William L. Smith, state personnel director, Frankfort

George R. Zarrett, U. S. Army Signal Depot, Lexington

The program at the April 9 meeting included a talk by Robert Cullen, chief reviser, Kentucky Statutes Revision Commission, on the function of the commission, reviewing the

highlights of 1946 legislation, summarizing types and quantities of bills enacted and defeated, and comparing results with previous sessions. Harry G. Davis, former assistant director general of revenue in Iran, discussed some of his administrative experiences as a staff member of the American Financial Mission during 1944 and 1945.

#### Minnesota

On March 11 about fifty members and guests of the Minnesota Chapter met for dinner and discussion. Chapter President Dreng Bjornaraa called attention to the annual meeting of the Society scheduled for Philadelphia and asked Professor Lloyd M. Short, secretary of the chapter, to report at the conference on the activities of the chapter. The program of the evening consisted of a panel discussion on "Experiences in Military Government." The panel was composed of:

**Chairman**—Russell Drake, chief of administrative services unit, State Division of Social Welfare

**Panel Members**—Nathan Harris, research engineer, City of Minneapolis

Don Larson, comptroller, Farm Credit Administration

Ronald Powers, deputy commissioner of taxation, State of Minnesota

William Verhage, professor of political science, Macalester College

Each panel member explained his own work and observations in the several aspects of military government in Italy, Germany, and the South Pacific.

#### New York Capital District—Albany

The general subject for discussion at the Spring sessions of the Capital District Chapter is "Recent Developments in State-Local Relations." At the March 1 meeting the topic "Inter-governmental Cooperation in Community Planning for the Post-War Period" was discussed by the Honorable John J. Ahern, mayor of the City of Troy, and by Holden A. Evans, executive secretary, Post-War Public Works Planning Commission.

At the March 28 meeting the topic was "Stabilization of State and Local Financial Relations," with two speakers: Archibald N. Galloway, deputy comptroller for the State of New

York, and Harold A. Root, finance director for the City of Schenectady. About fifty persons were present.

The third meeting, on April 25, considered "Problems of Housing Administration." Speakers upon this occasion—all well acquainted with the various administrative difficulties, not only on each of the levels of government, but also in connection with the coordination of efforts of the federal, state, and local governments—were:

Charles S. Ascher, regional housing exper-

diter, National Housing Agency, and president of the American Society for Public Administration, who represented the federal program

Paul J. Kelly, deputy commissioner, New York State Division of Housing, who represented the state program

Leonard F. Hubbard, community development supervisor, New York State Division of Housing, who represented the local program

#### New York-Metropolitan Area

On May 22 the chapter scheduled a dinner meeting followed by a panel discussion on "Collective Bargaining in Public Service," which brought an attendance of 90 persons. The panel members were:

Eugene Drumm, president of Department of Water, Gas, and Electricity, Local No. 632 (AFL)

Hewitt Guinier, vice president of New York District, United Public Workers of America (CIO)

Mrs. Esther Bromley, New York Civil Service Commission

H. Eliot Kaplan, National Civil Service Reform League

Panel discussion and questions from the floor revealed a surprising unanimity of opinion on most issues; the one question on which some disagreement was apparent was how far unions might go in exercising pressure for higher pay.

John D. Millett, professor of public administration, Columbia University, is the new secretary-treasurer of the New York Metropolitan Chapter, replacing Charles S. Ascher who was elected to the presidency of the national Society.

**Wisconsin**

On February 19 a small group of state, county, city, and university officials met in Madison to discuss the possibilities of chapter formation there. As a result of that first meeting, another was called for April 11 offering a program in the evening. The topic for discussion was "Effective Public Service through Competent Personnel—The Problem of Post-War Salary Levels." Professor Edwin Witte of the University of Wisconsin opened the meeting with a fifteen-minute talk on "Current Wage-Price Policies and Prospects, and the Public Service." Professor Witte's talk was followed by discussion conducted by the following panel:

- E. C. Giesel, director of the budget, State of Wisconsin
- Max Lindemann, personnel officer for the City of Madison
- R. H. Gerry, chairman, Personnel Committee, Dane County Board
- Gordon Logan, personnel officer, Forest Products Laboratory
- Fred Young, personnel examiner, State Bureau of Personnel
- Lorentz Adolfson, director, Extension Division, University of Wisconsin
- Arnold Zander, president, American Federation of State, County, and Municipal Employees

The members of the informal committee which has called these meetings, both attended by about fifty-five persons, are George M. Forster, John M. Gaus, A. J. Opstdal, Paul A. Raushenbush, Arnold S. Zander, and Ernest A. Englebert.

On May 23 the public administration group in Madison held a supper meeting, attended by about 60 persons, to act on a proposed constitution, to elect officers, and for a program.

During the business session the following officers were elected:

*President*—Howard Ohm, legislative reference librarian

*Vice-President*—Beatrice Lampert, state attorney-general's office

*Secretary-Treasurer*—Horace Wilkie, Madison Housing Authority

*Council Members*—

Representing the federal service—Gordon Logan, personnel officer, Forest Products Laboratory

Representing the state—George M. Keith, director, division of public assistance, State Department of Public Welfare

Representing the county—George Reinke, county clerk's office

Representing the city—Philip Falk, Board of Education, City of Madison

Representing the university—Fred Clarenbach, department of agricultural economics, University of Wisconsin

Representing other organizations—C. K. Alexander, Wisconsin Taxpayers Alliance

After the business meeting there was a panel forum on "Intergovernmental Fiscal Relations in Wisconsin." Those who participated in the panel were:

*Chairman*—Arthur Wegner, commissioner of taxation, State of Wisconsin

*Panel members*—

Harold Groves, professor of economics, University of Wisconsin

F. N. MacMillan, executive secretary, League of Wisconsin Municipalities

A. J. Thelen, executive secretary, Wisconsin County Boards Association

C. K. Alexander, research director, Wisconsin Taxpayers Alliance

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